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28 April 2023

NEDERLANDSE WATERSCHAPSBANK N.V.
(Incorporated in the Netherlands with its statutory seat in The Hague)
€75,000,000,000 Debt Issuance Program

Under this €75,000,000,000 Debt Issuance Program (the '**Program**') Nederlandse Waterschapsbank N.V. (the '**Issuer**' or '**NWB Bank**') may from time to time issue notes (the '**Notes**') denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). As set out herein, the Notes will not be subject to any maximum maturity but will have a minimum maturity of one month. The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed €75,000,000,000 (or its equivalent in any other currency calculated as described herein).

The Notes will be issued on a continuing basis to one or more of the Dealers specified below and any additional Dealer appointed for the duration of the Program or, with regard to an issue of a particular tranche of Notes, for the purposes of that tranche (each a '**Dealer**' and together the '**Dealers**'). The Dealer or Dealers with whom the Issuer agrees or proposes to agree on the issue of any Notes is or are referred to as the '**relevant Dealer**' in respect of those Notes. The Notes will be issued in series (each a '**Series**') each of which will comprise one or more tranches (each a '**Tranche**').

This document constitutes a base prospectus dated 28 April 2023 (the '**Base Prospectus**') within the meaning of Regulation (EU) 2017/1129 (as amended, the '**Prospectus Regulation**'). The Base Prospectus is issued in replacement of a prospectus dated 29 April 2022, which does not affect any notes issued prior to the date of this Base Prospectus.

This Base Prospectus has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the '**AFM**'), which is the Dutch competent authority for the purpose of the Prospectus Regulation, as a base prospectus issued in compliance with the Prospectus Regulation in the Netherlands for the purpose of giving information with regard to the issue of Notes during the period of twelve months after the date hereof.

This Base Prospectus shall be valid for use only by the Issuer for a period of up to 12 months after its approval by the AFM and shall expire on 28 April 2024, at the latest.

The obligation to supplement this Base Prospectus, in the event of significant new factors, material mistakes or material inaccuracies only, shall cease to apply upon the expiry of the validity period of this Base Prospectus. The AFM only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Application may be made for Notes to be admitted to trading on Euronext Amsterdam ('**Euronext Amsterdam**'), the regulated market of Euronext Amsterdam N.V., the Official List of the Luxembourg Stock Exchange (the '**Luxembourg Stock Exchange**'), Euronext Paris ('**Euronext Paris**'), the regulated market of Euronext Paris S.A. and Eurex Deutschland ('**Eurex Deutschland**'), the regulated market of Eurex Frankfurt AG. In addition, Notes may be listed or admitted to trading, as the case may be, on any other stock exchange or market specified in the applicable Final Terms. The Program also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

The AFM has been requested by the Issuer to provide the Luxembourg *Commission de Surveillance du Secteur Financier* (the '**CSSF**'), the French *Autorité des marchés financiers* (the '**AMF**') and the German *Bundesanstalt für Finanzdienstleistungsaufsicht* (the '**BaFin**') with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with Article 25 of the Prospectus Regulation.

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The AFM shall notify the European Securities and Markets Authority ('**ESMA**') of the approval of this Base Prospectus and any supplement hereto at the same time as such approval is notified to the Issuer. In addition, the AFM shall provide ESMA with a copy of this Base Prospectus and any supplement hereto.

The Program has been rated AAA (in respect of Notes with a maturity of more than one year) and A-1+ (in respect of Notes with a maturity of one year or less) by S&P Global Ratings Europe Limited ('**S&P**') and has been rated P-1 (in respect of short-term Notes) and Aaa (in respect of senior unsecured medium-term Notes) by Moody's France S.A.S. or any other registered Moody's branch ('**Moody's**'). Series of Notes may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Program. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. As of the date of this Base Prospectus, each of S&P and Moody's is established in the European Union and is registered under Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies (as amended and supplemented, the '**CRA Regulation**').

The rating of a certain Series of Notes, if applicable, will be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to such Series of Notes will be issued by a credit rating agency established in the European Union and registered or certified under the CRA Regulation will be disclosed clearly and prominently in the Final Terms.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes as set out herein, in which case a supplement, a new base prospectus or a drawdown prospectus, as appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes and, if relevant, which will be subject to the prior approval of the AFM.

The information on the websites to which a hyperlink has been included in this Base Prospectus does not form part of this Base Prospectus and has not been scrutinized or approved by the AFM.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended, the '**Securities Act**') or any U.S. state securities laws, and the Notes may not be offered, sold or delivered within the United States, or to or for the account or benefit of U.S. persons (as defined in Regulation S ('**Regulation S**') under the Securities Act), except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act, applicable U.S. state securities laws or pursuant to an effective registration statement. The Notes may be offered and sold (a) in bearer form outside the United States to non-U.S. persons in reliance on Regulation S and (b) in registered form within the United States, to persons who are 'qualified institutional buyers' ('**QIBs**') within the meaning of and in reliance on Rule 144A under the Securities Act ('**Rule 144A**') and outside the United States to non-U.S. persons in reliance on Regulation S. **Prospective purchasers who are QIBs are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.** For a description of these and certain further restrictions on offers, sales, and transfers of Notes and distribution of this Base Prospectus, see '*Plan of Distribution*' and '*Transfer Restrictions*'. Notes in bearer form are subject to U.S. tax law requirements.

An investment in the Notes involves certain risks. Prospective investors should have regard to the risk factors described under 'Risk Factors' in this Base Prospectus.

This Base Prospectus must be read and construed together with any amendments or supplements hereto and with the documents incorporated by reference herein (which can be found on the website of the Issuer, https://nwbbank.com and may be obtained by contacting the Issuer by telephone (+31 70 416 62 66) or by e-mail: legal@nwbbank.com), and in relation to any Tranche, this Base Prospectus should be read and construed together with the applicable Final Terms.

Joint-Arrangers

BofA Securities

NatWest Markets

Dealers

ABN AMRO

Barclays

BayernLB

BMO Capital Markets

BNP PARIBAS

BofA Securities

CIBC Capital Markets

Citigroup

Commerzbank Aktiengesellschaft

Crédit Agricole CIB

Credit Suisse

Daiwa Capital Markets Europe

Danske Bank

Deutsche Bank

DNB Markets

DZ BANK AG

Goldman Sachs Bank Europe SE

HSBC

ING

J.P. Morgan

Landesbank Baden-Württemberg

Mizuho

Morgan Stanley

Natixis

NatWest Markets

Nomura

Norddeutsche Landesbank - Girozentrale-

Nordea

Rabobank

RBC Capital Markets

Scotiabank

SEB

Shinkin International Ltd.

SMBC

Société Générale Corporate & Investment Banking

Swedbank

TD Securities

UBS Investment Bank

Zürcher Kantonalbank

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OVERVIEW OF THE PROGRAM

This overview constitutes a general description of the Program for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980 (as amended), and must be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole, including any amendment and/or supplement hereto and the documents incorporated by reference herein. The following overview does not purport to be complete and is taken from, and is qualified by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in the Terms and Conditions of the Notes or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated. Prospective investors should consider, among other things, the following.

Description	Debt Issuance Program
Issuer	Nederlandse Waterschapsbank N.V. ('**NWB Bank**')
Issuer Legal Entity Identifier (LEI)	JLP5FSPH9WPSHY3NIM24
Program	The Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes denominated in any currency as may be agreed between the Issuer and the relevant Dealer. The aggregate nominal amount, any interest rate or interest calculation, the issue price and any other terms and conditions contained herein with respect to each Series (as defined on the cover page) of Notes will be determined at the time of issuance and set forth in the applicable final terms (the '**Final Terms**').
Size	Up to €75,000,000,000 aggregate principal amount of Notes (or its equivalent in any other currency calculated as described herein) outstanding at any time. The Issuer may increase the amount of the Program in accordance with the terms of the program agreement dated 28 April 2023 (as further amended and/or supplemented and/or restated from time to time, the '**Program Agreement**').
Joint-Arrangers	BofA Securities Europe SA NatWest Markets N.V.
Dealers	ABN AMRO Bank N.V. Bank of Montreal Europe plc Barclays Bank Ireland PLC Bayerische Landesbank BofA Securities Europe SA BNP Paribas CIBC Capital Markets (Europe) S.A. Citigroup Global Markets Europe AG Commerzbank Aktiengesellschaft Coöperatieve Rabobank U.A. Crédit Agricole Corporate and Investment Bank Credit Suisse Bank (Europe), S.A. Daiwa Capital Markets Europe Limited Danske Bank A/S Deutsche Bank Aktiengesellschaft DNB Bank ASA DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main

	Goldman Sachs Bank Europe SE HSBC Bank plc HSBC Continental Europe ING Bank N.V. J.P. Morgan SE Landesbank Baden-Württemberg Mizuho Securities Europe GmbH Morgan Stanley Europe SE Natixis NatWest Markets N.V. Nomura Financial Products Europe GmbH Nordea Bank Abp Norddeutsche Landesbank - Girozentrale – RBC Capital Markets (Europe) GmbH RBC Europe Limited Scotiabank (Ireland) Designated Activity Company Shinkin International Ltd. Skandinaviska Enskilda Banken AB (publ) SMBC Bank EU AG Société Générale Swedbank AB (publ) TD Global Finance unlimited company UBS AG London Branch Zürcher Kantonalbank
Principal Paying Agent	Citibank N.A., London Branch
Non-U.S. Paying Agent	Banque Internationale à Luxembourg, only with respect to Tranches (as defined on the cover page) of Notes which are solely offered and sold by the Issuer and/or the Dealers in bearer form outside the United States of America ('**U.S.**') to non-U.S. persons in reliance on Regulation S and only if so specified in the applicable Final Terms.
Distribution	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, Danish krone, Euro, Hong Kong dollars, New Zealand dollars, Sterling, Swiss Francs, Norwegian krone, Swedish krona, Turkish lira, U.S. Dollars, South African rand and Japanese yen.
Redenomination	The applicable Final Terms may provide that the Notes may be redenominated in Euro. The relevant provisions applicable to such redenomination are contained in Condition 4 of the Terms and Conditions of the Notes.
Alternative Currency	If the Issuer is due to make any payment in a currency in respect of any Notes and such currency (the '**Original Currency**') is not available on the foreign exchange markets due to the imposition of exchange controls or due to the Original Currency's replacement or disuse or other circumstances beyond the Issuer's control, the Issuer will be entitled to satisfy its obligation in respect of that

	payment by making that payment in another currency (the '**Alternative Currency**') if so specified in the applicable Final Terms. The applicable exchange rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner. Any payment made by the Issuer under such circumstances in the Alternative Currency shall constitute valid payment and shall not constitute an Event of Default (as defined in Condition 10 of the Terms and Conditions of the Notes).
Maturities	Any maturity, subject to applicable laws, regulations and restrictions and subject to a minimum maturity of one month.
Issue Price	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par. The Issue Price will be disclosed in the Final Terms.
Issuance in Series	The Notes will be issued in Series, each of which will comprise one or more Tranches. The Notes of each Series will all be subject to identical terms, except that the issue date, issue price and the date of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
Form of Notes	The Notes will be issued in bearer form ('**Bearer Notes**') or registered form ('**Registered Notes**') as set out in the applicable Final Terms. Registered Notes will not be exchangeable for Bearer Notes and vice versa. No single Tranche may comprise both Bearer Notes and Registered Notes. *Bearer Notes* Each Tranche of Bearer Notes will be sold outside the United States in 'offshore transactions' within the meaning of Regulation S. Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Bearer Notes may not be offered, sold or delivered within the United States or to U.S. persons, as defined under the U.S. Internal Revenue Code of 1986 (as amended, the "**Code**") and the U.S. Treasury regulations promulgated thereunder. Bearer Notes will (unless otherwise specified in the applicable Final Terms) initially be represented by a temporary bearer global note (a '**Temporary Bearer Global Note**') which will be deposited on the relevant issue date either (i) if the Bearer Notes are intended to be issued in new global note ('**NGN**') form, with a common safekeeper for Euroclear Bank SA/NV ('**Euroclear**') and Clearstream Banking, S.A. ('**Clearstream, Luxembourg**') or (ii) if the Bearer Notes are not intended to be issued in NGN form, with a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system.

Interests in the Temporary Bearer Global Note will be exchangeable as described therein for either interests in a permanent bearer global note (a '**Permanent Bearer Global Note**' and together with the Temporary Bearer Global Notes, the '**Bearer Global Notes**') or Bearer Notes in definitive form ('**Definitive Bearer Notes**') from the 40th day after the date on which the Temporary Bearer Global Note is issued upon certain conditions including, in the case of a Temporary Bearer Global Note where the issue is subject to the TEFRA D Rules, upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a Permanent Bearer Global Note is exchangeable for Definitive Bearer Notes either (i) upon not less than 30 days' notice or (ii) upon the occurrence of certain Exchange Events, as described in 'Form of the Notes' herein. Any interest in a Bearer Global Note will be transferable only in accordance with the rules and procedures for the time being of either Euroclear and/or Clearstream, Luxembourg as appropriate.

Registered Notes

The Registered Notes of each Tranche offered and sold in 'offshore transactions' within the meaning of Regulation S will be sold to non-U.S. persons outside the United States and will initially be represented by a global note in registered form (a '**Regulation S Global Note**'). The Registered Notes of each Tranche offered and sold in the United States or to U.S. persons may only be offered and sold in private transactions to QIBs and will initially be represented by a global note in registered form (a '**Rule 144A Global Note**' and, together with a Regulation S Global Note, the '**Registered Global Notes**' and together with Bearer Global Notes, '**Global Notes**').

Registered Global Notes will (i) be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ('**DTC**') and/or (ii) be deposited with a common depositary or common safekeeper, as the case may be for Euroclear and/or Clearstream, Luxembourg, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper as specified in the applicable Final Terms.

The Registered Global Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions (see '*Plan of Distribution*' and '*Transfer Restrictions*'). In addition, no beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

Fixed Rate Notes

Interest on Fixed Rate Notes will be payable on the date or dates specified in the applicable Final Terms and on

	redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer (as specified in the applicable Final Terms).
Floating Rate Notes	Floating Rate Notes will bear interest either at a rate determined: (a) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating either the 2006 ISDA Definitions, Inc. (as published by the International Swaps and Derivatives Association ('**ISDA**') and as amended and updated as at the Issue Date of the first Tranche of the Notes or the relevant Series), or the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (as published by ISDA as at the Issue Date of the first Tranche of the Notes of the relevant Series) as specified in the applicable Final Terms. The Margin, if any, will be specified in the applicable Final Terms; or (b) on the basis of the reference rate set out in the applicable Final Terms.
FX Linked Notes	Payments in respect of interest on FX Linked Interest Notes or payments in respect of principal on FX Linked Redemption Notes will be calculated based on the formula's specified in Condition 5.2(c) and/or Condition 7.8 of the Terms and Conditions of the Notes, respectively, by reference to such exchange rate as may be specified in the applicable Final Terms.
Inflation Linked Notes	Payments in respect of interest on Inflation Linked Notes will be calculated by reference to such inflation index as may be specified in the applicable Final Terms.
CMS Linked Notes	Payments in respect of interest on CMS Linked Notes will be calculated by reference to the difference between two separate notional constant maturity swaps, which are weighted in accordance with Multipliers as specified in the applicable Final Terms in relation to which a further Margin (if any) will be specified in the applicable Final Terms.
Other provisions in relation to Floating Rate Notes, FX Linked Interest Notes, CMS Linked Notes and Inflation Linked Notes	Floating Rate Notes, FX Linked Interest Notes, CMS Linked Notes or Inflation Linked Notes may also have a minimum interest rate, a maximum interest rate or both.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the applicable Final Terms.
Zero Coupon Notes	Zero Coupon Notes will be offered and sold at a discount to their principal amount or at par and will not bear any interest.

Early Redemption	The applicable Final Terms will indicate either (i) that the Notes cannot be redeemed prior to their stated maturity (other than in specified installments (see below), if applicable, or for taxation reasons (Condition 7.2 of the Terms and Conditions of the Notes) or following an Event of Default (as defined in Condition 10 of the Terms and Conditions of the Notes)), (ii) that such Notes will be redeemable at the option of the Issuer ('**Issuer Call Option**') and/or the Noteholders ('**Investor Put Option**') upon giving not less than 15 nor more than 30 Business Days irrevocable notice (as specified in the applicable Final Terms) to the Noteholders in the case of an Issuer Call Option and upon giving not less than 15 Business Days nor more than 30 Business Days irrevocable notice (as specified in the applicable Final Terms) to the Issuer in the case of an Investor Put Option, on a date or dates specified prior to such stated maturity and at a price or prices as are specified in the applicable Final Terms, or (iii) that such Notes will be automatically redeemed by the Issuer upon the occurrence of an Automatic Early Redemption Event.
Installment Notes	The applicable Final Terms may provide that Notes may be repayable in two or more installments in such amounts and on such dates as specified therein.
Denomination of Notes	Notes will be issued in such denominations as may be specified in the applicable Final Terms save that the minimum denomination of each Note will be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).
Taxation	Payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges, unless required by law. The Final Terms will specify whether or not the Issuer will be required (subject to certain exceptions) to pay additional amounts for Dutch withholding taxes on payments on the Notes. If the applicable Final Terms provide that the Issuer is not required to pay any additional amounts for Dutch withholding taxes (if any) on payments on the Notes, it will also specify that Condition 7.2 of the Terms and Conditions of the Notes will not apply to the Notes.
Negative Pledge	See Condition 3 of the Terms and Conditions of the Notes.
Cross Default	None.
Status of the Notes	The Notes will constitute unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.
Rating	The Program has been rated AAA (in respect of Notes with a maturity of more than one year) and A-1+ (in respect of

Notes with a maturity of one year or less) by S&P and has been rated P-1 (in respect of short-term Notes) and Aaa (in respect of senior unsecured medium-term Notes) by Moody's.

An obligation rated 'AAA' by S&P has the highest rating. According to S&P, the obligor's capacity to meet its financial commitment on the obligation is extremely strong.

A short-term obligation rated 'A-1' is rated in the highest category by S&P. According to S&P, the obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.[1] Moody's long-term ratings are assigned to obligations with an original maturity of one year or more and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default. According to Moody's, obligations rated 'Aaa' are judged to be of the highest quality and subject to the lowest level of credit risk. Moody's short-term ratings are assigned to obligations with an original maturity of thirteen months or less and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default. Issuers (or supporting institutions) rated 'P-1' have a superior ability to repay short-term debt obligations.[2]

Series of Notes issued under the Program may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Program. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. As of the date of this Base Prospectus, each of S&P and Moody's is established in the European Union and is registered under the CRA Regulation.

The rating of a certain Series of Notes to be issued under the Program, if applicable will, be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to such Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed clearly and prominently in the applicable Final Terms.

Listing

The Program provides that Notes issued under the Program may be admitted to listing, trading and/or quotation on Euronext Amsterdam, the Luxembourg Stock

[1] https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352.
[2] https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

	Exchange, Euronext Paris and Eurex Deutschland. The AFM has been requested by the Issuer to provide the CSSF, the AMF and the BaFin with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation. The Program also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. The applicable Final Terms will specify whether or not the Notes are to be listed and, if so, on which market.
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, the laws of the Netherlands.
Terms and Conditions	The Terms and Conditions applicable to each Series will be agreed between the Issuer and the relevant Dealer at or prior to the time of issuance of such Series, and will be specified in the applicable Final Terms. A form of the Final Terms is set out below (see '*Form of Final Terms*').
Selling Restrictions	There are selling restrictions in relation to the European Economic Area, France, Belgium, the Netherlands, the United Kingdom, Singapore, Switzerland, Japan and the United States as may be required in connection with the offering and sale of a particular Tranche of Notes (see '*Plan of Distribution*' below).
Target Market	Unless otherwise indicated in the applicable Final Terms, Eligible Counterparties and Professional Clients only as defined in Directive 2014/65/EU (as amended, '**MiFID II**'); (all distribution channels).
Transfer Restrictions	Regulation S Category 2; Rule 144A; and TEFRA D/TEFRA C/TEFRA not applicable, as specified in the applicable Final Terms (see '*Transfer Restrictions*' below). Notes in bearer form will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) or any successor regulation in substantially the same form for purposes of Section 4701 of the Code ('**TEFRA D Rules**') unless (i) the applicable Final Terms state that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) or any successor regulation in substantially the same form for purposes of Section 4701 of the Code (the '**TEFRA C Rules**') or (ii) the Notes have a term of one year or less (taking into account any unilateral extension or rollover rights).
Regulatory Matters	Each issue of Notes in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time

(see '*Plan of Distribution*' and '*Transfer Restrictions*' below).

RISK FACTORS

NWB Bank believes that the following factors may affect its ability to fulfill its obligations under the Notes. Such factors are factors which we consider to be material for the purpose of assessing the risks associated with the Issuer and the Notes.

Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential negative impact to NWB Bank's business, financial condition, results of operations and prospects. NWB Bank may face a number of these risks described below simultaneously and some risks described below may be interdependent. Where risk factors are interdependent, they will contain a cross-reference and a description as to how one risk affects the other. While the risk factors below have been divided into categories and all risk factors are described in the most appropriate category, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.

NWB Bank believes that the factors described below represent all the material risks inherent in investing in the Notes, but the inability of NWB Bank to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons. Risks not presently known to NWB Bank or that it currently believes to be immaterial could also have a material impact on its business operations and the price of the Notes. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision with respect to the Notes.

Words and expressions defined in the Terms and Conditions of the Notes or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated. Prospective investors should consider, among other things, the following.

RISK FACTORS REGARDING THE ISSUER

A. Risks related to the issuer's financial situation

1. Interest rate volatility and other changes in interest rates and/or widening of liquidity and credit spreads may negatively affect NWB Bank's prospects, financial condition and results of operations

NWB Bank's exposure to fluctuations in interest rates arises from differences in interest rates and terms between lending and borrowing. In a period of changing interest rates (and volatile spreads), interest expense may increase at different rates than the interest earned on assets. Accordingly, changes in interest rates could decrease interest income, NWB Bank's primary source of revenue, as well as impact demands for loans. In addition, changes in interest rates may negatively affect the value of NWB Bank's assets and its ability to realize gains or avoid losses from the sale of those assets, all of which also ultimately affect profit. Changes in interest rates may also result in unrealized losses that may be required to be recognized in the income statement or in equity on the balance sheet. Furthermore, an increase in interest rates (or spreads) may decrease the demand for loans. In addition, a volatile interest rate environment may also increase competition in the market, which could also impact NWB's spreads. On the other hand, negative interest rates and/or low interest rates, as experienced prior to 2022, may negatively impact NWB Bank's interest income, which may have an adverse impact on its profitability. In order to counteract high inflation rates, central policy rates have risen rapidly in 2023. A sustained increase in the inflation rate in the Eurozone and related interest rate volatility may also reduce disposable income for NWB Bank's clients and may increase business financial stress, and therefore negatively affect NWB Bank's business, results and financial condition. Accordingly, changes in prevailing interest rates and/or widening of liquidity and credit spreads may negatively affect NWB Bank's prospects, financial condition and results of operations. See '*Risk Factors - NWB Bank's business and results of operations may be negatively affected by actual or perceived local and global economic and financial market conditions*' as to how the effects of such volatility and monetary policy can impact on NWB Bank and the business and economic environment in which it operates.

NWB Bank runs a margin business and its policy is to manage the interest rate risk bank-wide by using interest rate swaps and other derivative instruments for both the asset and the liability sides of the balance sheet, in which NWB Bank agrees to exchange, at specified intervals, the difference between fixed and variable interest rates calculated by reference to an agreed-upon notional principal amount. NWB Bank's hedging activities, however, may not have the

desired beneficial impact on its financial condition or results of operations. See '*Risk Factors - NWB Bank may be unable to manage its risks successfully through derivatives*' wherein the risks and complexities of developing hedging strategies to manage interest rate risk are set out.

2. NWB Bank is subject to liquidity risks and adverse capital and credit market conditions may impact NWB Bank's ability to access liquidity as well as the cost of credit

Liquidity risk is the risk that NWB Bank, although solvent, is at any given moment unable to meet its payment obligations due to insufficient financial resources or can only secure such financial resources at excessive cost. NWB Bank requires liquidity in its day-to-day business activities primarily to fund new and recurring business and to pay its operating expenses and interest or other payments on its debt or derivatives and replace certain of its maturing liabilities. The principal source of liquidity for NWB Bank is the wholesale funding markets.

During the worst stages of the global economic and financial crises, credit markets worldwide, including interbank markets, experienced severe reductions in the availability of financing for prolonged periods. Uncertainty regarding the market perception of credit risk across financial institutions may lead to reductions in access to traditional sources of funding, such as the wholesale funding markets, or increases in the costs of accessing such funding.

Although NWB Bank's overall liquidity position remained strong in 2022, if any of the problems discussed above occur or recur, NWB Bank's access to the wholesale funding markets could be restricted or available only at a higher cost.

The availability and cost of financing depend on a variety of factors such as the market conditions referred to above, as well as the general availability of funds, the volume of trading activities, the availability of funds to the financial services industry, an issuer's credit ratings and credit capacity, as well as the possibility that customers or funders could develop a negative perception of an issuer's long- or short-term financial prospects. NWB Bank's access to funds and the cost of obtaining such funds is significantly influenced by the views of rating agencies. If NWB Bank's access to the capital markets or the cost of accessing such markets should increase significantly or if NWB Bank is unable to attract other sources of financing, these developments could have an adverse effect on NWB Bank's liquidity position and its financial condition and results of operations.

3. Credit and counterparty risk may negatively affect NWB Bank's financial condition and results of operations

NWB Bank is subject to general credit risks, including credit risks of borrowers. Third parties that have payment obligations to NWB Bank, or obligations to return money, securities or other assets, may not pay or perform under their obligations. These parties include borrowers under loans made by NWB Bank, the issuers whose securities NWB Bank holds, customers, trading counterparties, counterparties under swap and credit and other derivative contracts, clearing agents and central clearing houses, exchanges and other financial intermediaries. These parties may default on their obligations to NWB Bank due to bankruptcy, lack of liquidity, downturns in the economy, operational failure, systemic failure or for other reasons. Any such defaults could lead to losses for NWB Bank, which could have a material adverse effect on NWB Bank's financial condition and results of operations. NWB Bank has limited counterparty risk relating to a small number of counterparties in the older derivatives portfolio.

4. The default of a major market participant could disrupt the markets and may have an adverse effect on NWB Bank's business, results and financial condition

Within the financial services industry, the severe distress or default of any one institution (including sovereigns and central counterparties) (or even market expectations of distress or default) could lead to defaults by, or the severe distress of, other market participants. While prudential regulation is aimed at reducing the probability of a default by a financial institution, such regulation cannot eliminate the risk of a default and the actual occurrence thereof could have a material adverse impact on NWB Bank. Such distress of, or default by, a major financial institution could disrupt markets or clearance and settlement systems and lead to a chain of defaults by other financial institutions, since the commercial and financial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. Also, the perceived lack of creditworthiness of a sovereign or a major financial institution (or a default by any such entity) may lead to market-wide liquidity problems and losses or defaults by NWB Bank or by other institutions. This risk is sometimes referred to as 'systemic risk' and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom NWB Bank interacts on a daily basis. Systemic risk could impact NWB Bank directly, by exposing it to material credit losses

on transactions with defaulting counterparties or indirectly by significantly reducing the available market liquidity on which NWB Bank and its lending customers depend to fund their operations and/or leading to a write down of loans or securities held by NWB Bank. In addition, NWB Bank may also be faced with additional open market risk for which hedging or mitigation strategies may not be available or effective (either by hedges eliminated by defaulting counterparties, or reduced market liquidity). Systemic risk could have a material adverse effect on NWB Bank's ability to raise new funding and on NWB Bank's business, results and financial condition. In addition, such distress or failure could impact future product sales as a potential result of reduced confidence in the financial services industry.

B. Risks related to the issuer's business activities and industry

5. NWB Bank's business and results of operations may be negatively affected by actual or perceived local and global economic and financial market conditions

NWB Bank's business and results of operations are affected by local and global economic conditions, perceptions of those conditions and future economic prospects. At the start of 2022, the global economy continued to face uncertainty in relation to the lingering effects of COVID-19 variants. This uncertainty was further compounded as the year progressed by the war in Ukraine and resulting energy crisis, which caused an inflationary ripple effect globally. This, alongside the continued rise in global inflation rates and slowdown in China due to the lingering effects from the COVID-19 pandemic and lockdowns, meant that the global economy faced steep challenges in the later stages of 2022. It is expected that the war in Ukraine, in particular, will continue to impact the global economy throughout 2023, along with global supply chain issues, global manufacturing delays, asset price increases and uncertainty across the global economy and financial markets resulting, in forecasts marked by inflation.

The risks above are reflected in moderate forecasts for growth in Europe, with the IMF projecting a decline in growth to 0.7% in 2023 from 3.5% in 2022.[3] This forecast also reflects the expected continued rise in central bank rates to combat inflation– especially in advanced economies. During the course of 2022, the ECB, Bank of England and U.S. Federal Reserve all steadily raised interests from near 0% to 2.5%[4], 3.5%[5] and 4.5%[6] respectively in December 2022 with rates continuing to rise in 2023. This signals a continued focus on reducing inflation globally. The IMF predicts that global inflation rates will fall from 8.7% in 2022 to 7.0% in 2023.[7] The projected reduction in inflation rates partly reflects declining international fuel and nonfuel commodity prices due to weaker global demand. It also reflects the anticipated cooling effects of monetary policy tightening on underlying (core) inflation, which globally is expected to decline from 6.9% in the fourth quarter of 2022 (year over year) to 5.1% by the fourth quarter of 2023.[8] Sustained high inflation rates (and central banks efforts to reduce high inflation rates) may cause reductions in business activity due to a decrease in demands for new loans, increased and volatile funding costs and funding pressures and/or a decrease in collateral values for NWB Bank. See '*Risk Factors - Interest rate volatility and other changes in interest rates and/or widening of liquidity and credit spreads may negatively affect NWB Bank's prospects, financial condition and results of operations'* for a discussion of the intersection of global inflation and interest rates and how NWB Bank may be adversely impacted by global developments.

The war in Ukraine and the related international response measures, including sanctions, capital controls and restrictions on access to the SWIFT system continue to add further uncertainty to markets. However, the resulting uncertainty in financial markets has created and could further create a somewhat difficult operating environment for financial institutions, including NWB Bank, as they may place strain on funding needs and may continue to cause significant volatility to financial markets, including funding costs which could adversely impact NWB Bank's prospects, financial condition and results of operations.

To date, the war in Ukraine has not had a direct negative impact on NWB Bank or its results as NWB Bank only lends to the Dutch public sector and hence has no direct exposure to Russia or Ukraine. With respect to liquidity and funding, the impact of the war in Ukraine is also low as NWB Bank remains attractive to investors due to its current credit ratings and market position as 'safe haven'. The war may result in further increased competition on the lending side resulting from a flight to quality investments due to the attractiveness of NWB Bank's clients given their high credit

[3] Source: International Monetary Fund: World Economic Outlook Update April 2023.
[4] Source: European Central Bank: Eurosystem (https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html).
[5] Source: Bank of England (https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate).
[6] Source: U.S. Federal Reserve (https://www.federalreserve.gov/releases/h15/).
[7] Source: IMF World Economic Outlook April 2023.
[8] Source: IMF World Economic Outlook April 2023.

worthiness. Since all of NWB Bank's non-cleared derivatives are covered by a CSA, the impact on NWB Bank of counterparty risk is limited as exposures are covered by cash collateral. NWB Bank closely monitors ratings of its counterparties. Although the payment systems are impacted by the imposed sanctions, NWB Bank complies with the applicable regulations and monitors its clients accordingly. From a cyber-perspective identifiable risks and fall-back options are continuously analysed and required measures taken, including arranging enhanced attention from the ICT department of NWB Bank.

In addition, recent volatility in the banking sector caused by the collapse of Silicon Valley Bank and Signature Bank in the U.S. as well as UBS AG's acquisition of Credit Suisse Group AG ('**Credit Suisse**') at a substantial discount has led to volatility in the financial markets and global economy. Although NWB Bank is not a deposit taking institution, further defaults by market participants could adversely impact the global economy and NWB Bank's business, results and financial condition. See '*Risk Factors - The default of a major market participant could disrupt the markets and may have an adverse effect on NWB Bank's business, results and financial condition'* for a discussion of how a collapse of a market participant, such as Credit Suisse, could impact the status of global markets and adversely impact NWB Bank.

These factors may create economic and political uncertainties, which may have a material adverse effect on the global economy in general or on the economic conditions in the regions in which NWB Bank operates and have in the past resulted in, or may in the future result in, a reduced demand for financial products and services, a deterioration in asset quality of NWB Bank, a delay in receipt of interest income and/or repayment of principal and increases in loan impairment charges.

The adverse impact of the factors outlined above on the credit quality of NWB Bank's customers and counterparties, coupled with a decline in collateral values, could lead to a reduction in recoverability and value of NWB Bank's assets and higher levels of impairment allowances, which could have an adverse effect on NWB Bank's prospects, financial condition and results of operations.

6. NWB Bank is exposed to certain concentration risks in its loan portfolio

NWB Bank lends primarily to public authorities and institutions guaranteed by public authorities. In addition, NWB Bank holds an interest-bearing securities portfolio comprising mainly securitized Dutch home mortgage loans ('**Residential Mortgage Backed Securities**' or '**RMBS notes**') that are guaranteed under the National Mortgage Guarantee (a guarantee provided to certain mortgage lenders by *Stichting WEW*, a private entity, covering payment obligations of the borrowers vis-à-vis the mortgage lender), which carry limited- to high-weighted credit risk, and bonds issued or guaranteed by public sector institutions, which carry limited weighted credit risk. In 2020, the bank began investing in Green pass-through NHG RMBS (Residential Mortgage-Backed Securities), in line with the third pillar of its strategy as a 'financing partner for enhancing sustainability in the Netherlands'. The total investment as of 31 December 2022 amounts to €2.23 billion. The portfolio of RMBS notes increased by €900 million during 2022. A relatively small proportion of loans is provided to government-controlled companies without a government guarantee (Dutch utility companies), which carry a high weighted credit risk.

While NWB Bank's niche position as a specialized lender to the Dutch public sector means that it has a low-risk weighted portfolio, it also has a limited ability to diversify its lending and hence its main revenue source (net-interest income), which are strongly concentrated in both sector and geography. In particular, NWB Bank has a strong concentration in lending to social housing associations (approximately 66% of its total lending portfolio in nominal value at 31 December 2022), which loans are guaranteed by *Stichting Waarborgfonds Sociale Woningbouw* ('**WSW**'), a social housing fund ultimately supported by the Dutch central government and municipalities.

7. NWB Bank may incur losses due to failures of banks falling under the scope of state compensation schemes

While prudential regulation is intended to minimize the risk of bank failures, in the event such a failure occurs, NWB Bank may incur compensation payments to be made under the Dutch deposit guarantee scheme, which it may be unable to recover from the bankrupt estate. Such costs and the associated costs to be borne by NWB Bank may have an adverse effect on its results and financial condition. On the basis of Directive 2014/49/EU (as amended, the '**DGS Directive**') on deposit guarantee schemes, NWB Bank pays quarterly risk-weighted contributions into a DGS-fund. The DGS-fund is to grow to a target size of 0.8% of all deposits guaranteed under the DGS, which is expected to be reached in July 2024. In case of failure of a Dutch bank, depositor compensation is paid from the DGS-fund. If the

available financial means of the fund are insufficient, Dutch banks, including NWB Bank, may be required pay to extraordinary *ex-post* contributions not exceeding 0.5% of their covered deposits per calendar year. In exceptional circumstances and with the consent of the competent authority, higher contributions may be required. However, extraordinary *ex-post* contributions may be temporarily deferred if, and for so long as, they would jeopardize the solvency or liquidity of a bank. Depending on the size of the failed bank, the available financial means in the fund, and the required additional financial means, the impact of the extraordinary ex-ante contributions on NWB Bank may be material.

In November 2015, the European Commission proposed to set up a European deposit insurance scheme ('**EDIS**') for bank deposits in the euro area. EDIS is considered to be the third pillar of and would complete the EU's banking union. The EDIS proposal builds on the system of national deposit guarantee schemes governed by the DGS Directive. The scheme would develop in different stages and the contributions of EDIS will progressively increase over time. The new model intends to achieve 'cost-neutrality' for the banking sector when switching to EDIS. At this time, however, it is not yet clear if, when and in what form EDIS will come into effect and how this may affect NWB Bank's costs in having to contribute to compensation schemes like EDIS.

C. Legal and regulatory risk

8. NWB Bank is subject to substantial regulation and oversight. Significant regulatory developments and changes in the approach of NWB Bank's regulators are likely to have a material adverse effect on NWB Bank's operations or profitability

NWB Bank is subject to detailed banking and other financial services laws, regulations and policies in the Netherlands. See '*Nederlandse Waterschapsbank N.V. – Supervision and Regulation*' below. As a compact organization, NWB Bank is burdened financially and operationally by the pressure of an increase of these laws, regulations, policies and changes thereto, as well as the heightened duty to provide reports to regulators. Any new or changed laws, regulations and policies may adversely affect NWB Bank's business and/or results of operations.

This is especially the case for the requirements with respect to capital adequacy and liquidity, as proposed by the Basel Committee on Banking Supervision (the '**Basel Committee**') and being implemented in the European Union through, among others, the Capital Requirements Directive (Directive 2013/36/EU, as amended '**CRD IV Directive**') and the Capital Requirements Regulation (Regulation 575/2013, as amended '**CRR**'). These requirements are subject to ongoing change and are expected to become even more stringent. This is especially due to the implementation and entry into force of the changes to the CRD IV Directive ('**CRD V**') and CRR ('**CRR II**') included in the EU banking package adopted in May 2019 (the '**EU Banking Reforms**') and the finalised Basel III reforms as published on 7 December 2017 (the '**Basel III Reforms**') (informally referred to as Basel IV). NWB Bank does not expect that the Basel III Reforms will materially negatively affect its ongoing compliance with the requirements laid down therein. However, the impact of these changes to the applicable prudential regime is yet to be fully determined by NWB Bank. This is among others due to the fact that these Basel III Reforms are still subject to further implementation in EU or national laws. On 27 October 2021, the European Commission published the proposals to implement the Basel III Reforms in the EU. On 31 October 2022, the European Council published its proposals to implement the Basel III Reforms in the EU. It follows from these proposals that the Basel III Reforms will likely be implemented as of January 2025.

9. Risks related to the Dutch Intervention Act, BRRD and SRM Regulation

The Bank Recovery and Resolution Directive (Directive 2014/59/EU, as amended ('**BRRD**') and the Single Resolution Mechanism (Regulation 806/2014, as amended ('**SRM Regulation**') set out a common European recovery and resolution framework applicable to banks and certain investment firms, group entities (including financial institutions subject to consolidated supervision) and (to a limited extent) branches of equivalent non-European Economic Area ('**EEA**') banks and investment firms. If NWB Bank would be deemed to fail or likely to fail and the other resolution conditions would also be met, the resolution authority may decide to place NWB Bank under resolution. It may decide to apply certain resolution tools, such as tools which, in summary, provide for a transfer of certain assets and/or liabilities of NWB Bank to a third party. In addition, the BRRD and the SRM Regulation provide for the bail-in tool, which may result in the write-down or conversion into shares of capital instruments and eligible liabilities. The resolution authority may furthermore decide to terminate or amend any agreement (including a debt instrument, such as the Notes) to which NWB Bank is a party or replace NWB Bank as a party thereto.

To support bail-in, a minimum requirement for own funds and eligible liabilities ('**MREL**') applies under the BRRD and SRM Regulation. The MREL is subject to ongoing change and is expected to become more stringent. If NWB Bank were to experience difficulties in raising MREL eligible liabilities, it may have to reduce its lending or investments in other operations which would have a material adverse effect on the business, financial position and results of operations of NWB Bank.

In addition to the BRRD and SRM Regulation, the Dutch Intervention Act (*Wet bijzondere maatregelen financiële ondernemingen*) enables the Dutch Minister of Finance to intervene with a bank or parent undertaking thereof established in the Netherlands, such as NWB Bank, if the Minister of Finance is of the view that the stability of the financial system is in serious and immediate danger due to the situation that the bank is in. These powers among others consist of the expropriation of assets and/or liabilities of NWB Bank, claims against NWB Bank and securities issued by or with the cooperation of NWB Bank.

Without prejudice to the above, the competent resolution authority has decided that with regard to NWB Bank a simplified obligations plan under the SRM Regulation / BRRD will be applied. This means that the resolution authority's plan for NWB Bank is for NWB Bank to be liquidated in accordance with the Dutch insolvency rules and regulations rather than through a resolution procedure. The resolution authority may however deviate from this plan.

Under certain conditions, the resolution authority may use its powers under the BRRD or SRM Regulation or the Dutch Intervention Act in a way that could result in debt instruments of NWB Bank absorbing losses. The specific factors the competent resolution authority would consider in deciding whether to take any recovery or resolution measures are however unclear. The uncertainty about the application and the use of the powers under the BRRD and SRM Regulation could negatively affect the position of the holders of such debt instruments and the credit rating attached to debt instruments then outstanding and could result in losses to the holders of such debt instruments. These measures and consequences could furthermore increase NWB Bank's cost of funding and thereby have an adverse impact on NWB Bank's financial position and results of operation. In addition, there could be amendments (including, but not limited to, the amendments discussed above) to the SRM Regulation and the BRRD or the Dutch Intervention Act, which may add to these effects. Finally, any perceived or actual indication that NWB Bank is no longer viable, may become subject to recovery or resolution and/or does not meet its other recovery or resolution requirements (such as MREL) may have a material adverse impact on NWB Bank's financial position, regulatory capital position and liquidity position, including increased costs of funding for regulatory purposes.

D. Internal control risk

10. NWB Bank may be unable to manage its risks successfully through derivatives

NWB Bank employs various economic hedging strategies with the objective of mitigating the market risks that are inherent in its business and operations. These risks include currency fluctuations, fluctuations in volatilities, changes in the fair value of its investments and the impact of interest rate and liquidity and credit spread changes. NWB Bank seeks to mitigate these risks by, among other things, entering into a number of derivative instruments, such as swaps and forward contracts including, from time to time, portfolio hedges for parts of its business.

Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate NWB Bank from risks associated with those fluctuations. NWB Bank's hedging strategies also rely on assumptions and projections regarding its assets and liabilities, general market factors and the creditworthiness of its counterparties that may prove to be incorrect or prove to be inadequate. Accordingly, NWB Bank's hedging activities may not have the desired beneficial impact on its financial condition or results of operations. Poorly designed strategies or improperly executed transactions could actually increase NWB Bank's risks and losses. If NWB Bank terminates a hedging arrangement, it may also be required to pay additional costs, such as transaction fees or breakage costs. NWB Bank's hedging strategies and the derivatives that it uses and may use may not adequately mitigate or offset the risk of interest rate and currency volatility, and NWB Bank's hedging transactions may result in losses.

11. NWB Bank's risk management methods may leave it exposed to unidentified, unanticipated or incorrectly quantified risks, which could lead to material losses or material increases in liabilities

In the course of its business activities, NWB Bank is exposed to a variety of risks, the most significant of which are market risk, interest rate risk, liquidity risk, volatility risk, credit and counterparty risk, model risk, funding risk and operational risk. NWB Bank's revenues and interest rate risk are dependent upon its ability to properly identify

changes in the value of financial instruments caused by changes in market prices, rates and spreads. NWB Bank's earnings are dependent upon the effectiveness of NWB Bank's management of migrations in credit quality and risk concentrations, the accuracy of NWB Bank's valuation models and critical accounting estimates. Extreme market volatility could make it difficult, or in some cases impossible, to value some of the financial instruments that NWB Bank holds. Market volatility may also result in significant unrealized losses or impairment losses on such financial instruments. Although NWB Bank believes it has implemented, and will continue to implement, appropriate policies, systems and processes to control and mitigate these risks, including to manage fluctuations in fair value, investors should note that any failure to adequately control these risks could result in adverse effects on NWB Bank's financial condition, results of operations and reputation.

NWB Bank devotes significant resources to the development of risk management policies, procedures and assessment methods for its banking business. NWB Bank uses basis point value ('**DV01**') limits, earnings-at-risk models, gap analyses, stress testing, liquidity gap limit models and scenario analyses as well as other risk assessment methods. Nonetheless, such risk management techniques and strategies may not be fully effective in mitigating risk exposure in all economic market environments or against all types of risk, including risks that NWB Bank fails to identify or anticipate. Some of NWB Bank's qualitative tools and metrics for managing risk are based upon use of observed historical market behavior. These tools and metrics may fail to predict or predict incorrectly future risk exposures. Moreover, these observations or information may not be accurate, complete, up-to-date or properly evaluated in all cases. NWB Bank's losses could thus be significantly greater than such measures would indicate. In addition, NWB Bank's quantified modeling does not take all risks into account. For a broader set of risks, NWB Bank takes a more qualitative approach to managing those risks, which is less precise than quantified modeling and could prove insufficient. There can, therefore, be no assurance that NWB Bank's risk management and internal control policies and procedures will adequately control, or protect NWB Bank against, all credit and other risks. In addition, certain risks could be greater than NWB Bank's empirical data would otherwise indicate. Unanticipated or incorrectly quantified risk exposures could result in material losses for NWB Bank.

12. Operational risks are an inherent part of NWB Bank's businesses and failure to manage these risks could harm NWB Bank's business and reputation

NWB Bank's business inherently generates operational risks. The operational risks that NWB Bank faces include the possibility of inadequate or failed internal or external processes or systems, human error, regulatory breaches, including inadequate compliance with internal and external laws, errors resulting from hampering IT and telecom systems, transaction processing and settlement, employee misconduct or external events such as fraud. These events could result in financial loss as well as harm to NWB Bank's reputation. Additionally, the loss of key personnel could adversely affect NWB Bank's operations and results. Working remotely and maintaining a hybrid working environment raises the likelihood of such risks set out above arising.

Although NWB Bank devotes resources to developing its operational risk management policies and procedures and expects to continue to do so in the future, there can be no assurance that these will be adequate or effective. It is understood that even a sound system of internal control cannot eliminate all possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and other, management overriding controls and the occurrence of unforeseeable circumstances. The system of internal control is intended to provide reasonable, but not absolute, assurance that the company will not be hindered in achieving its business objectives or in the orderly and legitimate conduct of its business by circumstances which may reasonably be foreseen. Any material deficiency in NWB Bank's operational risk management or other internal control policies or procedures may expose NWB Bank to significant credit, liquidity or market risks, which may in turn have a material adverse effect on NWB Bank's business, results of operations and financial condition.

13. The IT and other systems on which NWB Bank depends for its day-to-day operations may fail for a variety of reasons that may be outside NWB Bank's control and there is an increasing risk of cyber attacks

NWB Bank's operations are highly dependent on its ability to process and monitor, on a daily basis, a large number of transactions, some of which are complex, while complying with applicable laws and regulations. NWB Bank's financial, accounting, data processing or other operating systems and facilities may fail to operate properly or may become disabled, which may have an adverse effect on NWB Bank's ability to process transactions or provide services. Other factors which could cause NWB Bank's operating systems to fail or not operate properly include a deterioration in the quality of IT development, support and operations processes and, in particular, high turnover of employees, resulting in an inadequate number of personnel to handle the growth and increasing complexity of

operations. The risk of an operating system failing or not operating properly is exacerbated by requirements to work remotely as a result of the hybrid working environment. Critical system failure and/or prolonged loss of service could cause serious damage to NWB Bank's ability to service its clients and could cause long-term damage to NWB Bank's business and reputation. For example, any breach in security of NWB Bank's systems from increasingly sophisticated attacks by cybercrime groups could have a significant negative effect on NWB Bank's reputation, result in the disclosure of confidential information and create potential financial and legal exposure. In this regard, NWB Bank has noted an increasing number of attempted electronic intrusions in recent years, some of which have resulted in severe disruptions of the IT systems of Dutch financial institutions, particularly Dutch commercial banks. Despite NWB Bank's ongoing expenditures on its IT systems, there can be no assurance that these expenditures will be sufficient or that its IT systems will function as planned. Any disruption in, or any breach in security of, NWB Bank's IT or other systems may have a material adverse effect on its business, financial condition or results of operations.

NWB Bank will be subject to a new, uniform and comprehensive framework for the digital operational resilience of its IT systems. This framework is laid down in Regulation (EU) 2022/2554 on the digital operational resilience for the financial sector ('**DORA**') that entered into force on 16 January 2023 and will become applicable in 17 January 2025 (see: '*Nederlandse Waterschapsbank N.V. – Supervision and Regulation – European Supervision and Regulation – DORA*' for more information on DORA). This will give rise to additional compliance and ICT-related costs and expenses. Should NWB Bank not be able to timely comply with DORA, this might result in administrative and/or criminal enforcement and/or reputational damage.

14. NWB Bank is reliant on third parties to which it has outsourced certain functions

NWB Bank relies on a third-party provider for part of its IT services. Any interruption in the services of this third party or deterioration in its performance of the outsourced services could impair the timing and quality of NWB Bank's services to its clients. Furthermore, if the contract with this third-party provider (or with any third-party provider of critical services in the future) is terminated, NWB Bank may not find alternative service providers on a timely basis or on as favorable terms or may suffer disruption as a result of the transition of functions to the new services provider. The occurrence of any of these events could adversely affect NWB Bank's business, reputation, results of operations or financial condition.

15. NWB Bank may be unable to meet internal or external aims or expectations with respect to ESG-related matters

ESG is an area of significant and increased focus for governments and regulators, investors, NWB Bank's customers and employees, and other stakeholders or third parties (e.g., non-governmental organizations or 'NGOs'). As a result, an increasing number of laws, regulations and legislative actions have been introduced to address climate change, sustainability and other ESG-related matters, including in relation to the financial sector's operations and strategy. Such recent regulations include the EU Sustainable Finance Disclosure Regulation ('**SFDR**') and Official Journal of the EU on 22 June 2020 Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the '**EU Taxonomy Regulation**') on the establishment of a framework to facilitate sustainable investment (the '**EU Taxonomy**'). The EU Taxonomy Regulation, which broadly focus on disclosure obligations, standardized definitions and classification frameworks for environmentally sustainable activities. These laws, regulations and legislative frameworks may directly and indirectly impact the business environment in which NWB Bank operates and may expose NWB Bank to significant risks; amongst others greenwashing risk.

National or international regulatory actions or developments may also result in financial institutions coming under increased pressure from internal and external stakeholders regarding the management and disclosure of their ESG risks and related lending and investment activities. NWB Bank may from time to time disclose ESG-related initiatives or aims in connection with the conduct of its business and operations. However, there is no guarantee that NWB Bank will be able to implement such initiatives or meet such aims within anticipated timeframes, or at all. NWB Bank may fail to fulfil internal or external ESG-related initiatives, aims or expectations, or may be perceived to fail to do so, or may fail to adequately or accurately report performance or developments with respect to such initiatives, aims or expectations. NWB Bank could therefore be criticized or held responsible for the scope of its initiatives or goals regarding such matters. In addition, NWB Bank might face requests for specific strategies, plans or commitments to address ESG-related matters, which may or may not be viewed as satisfactory to the relevant internal and external stakeholders (including NGOs). Any of these factors may have an adverse impact on NWB Bank's reputation and brand value, or on NWB Bank's business, financial condition and operating results.

NWB Bank may be unable to adapt its products and services to meet changing customer behaviour and demand, including as a result of ESG-related matters

Customers or other counterparties may increasingly assess sustainability or other ESG-related matters in their economic decisions. For instance, customers may choose investment products or services based on sustainability or other ESG criteria. To remain competitive and to safeguard its reputation, NWB Bank is required to continuously adapt its business strategy, products and services to respond to emerging, increasing or changing sustainability and other ESG-related demands from customers, investors and other stakeholders. However, there is no guarantee that NWB Bank's current or future products or services will meet applicable ESG-related regulatory requirements, customer preferences or investor expectations.

NWB Bank's business and operations are exposed to physical risks, including as a direct result of climate change

NWB Bank's business and operations may be exposed to the impacts of physical risks arising from climate and weather-related events, including heatwaves, droughts, flooding, storms, rising sea levels, other extreme weather events or natural disasters, and to the impacts of physical risks arising from the environmental degradation, including loss of biodiversity, water or resources scarcity, pollution or waste management. In particular, as NWB Bank's largest customers include water authorities and housing associations in the Netherlands, NWB Bank's customers are acutely susceptible to such physical risks, including flooding, water shortages and rising sea levels, which could disrupt their business continuity and operations by impacting their property, business or other financial interests. These risks could potentially result in impairing asset values, financial losses, declining creditworthiness of customers and increased defaults, delinquencies, write-offs and impairment charges in BNG Bank's portfolio, etc.

NWB Bank's business and operations are exposed to transition risks related to climate change

The transition to a low carbon or net zero economy may give rise to risks and uncertainties associated with climate change-related laws, regulations and oversight, changing or new technologies, and shifting customer sentiment. For instance, NWB Bank may be required to change its lending portfolio to comply with new climate change-related regulations. As a result, it might be unable to lend to certain prospective customers, or might even lead to the termination of certain existing relationships with certain customers. This could result in claims or legal challenges from such customers against NWB Bank. This transition may also adversely impact the business and operations of NWB Bank's customers and other counterparties. If NWB Bank fails to adequately factor in such risks in its lending or other business decisions, NWB Bank could be exposed to losses.

The low carbon or net zero transition may also require NWB Bank to modify or implement new compliance systems, internal controls and procedures or governance frameworks. The integration and automation of internal governance, compliance, and disclosure and reporting frameworks across NWB Bank could lead to increased operational costs for NWB Bank and other execution and operational risks. The implementation cost of these systems may especially be higher in the near term as NWB Bank seeks to adapt its business, or address overlapping, duplicative or conflicting regulatory or other requirements in this fast-developing area. Furthermore, NWB Bank's ongoing implementation of appropriate systems, controls and frameworks increasingly requires NWB Bank to develop adequate climate change-related risk assessment and modelling capabilities (as there is currently no standard approach or methodology available), and to collect customer, third party or other data. There are significant risks and uncertainties inherent in the development of new risk modelling methodologies and the collection of data, potentially resulting in systems or frameworks that could be inadequate, inaccurate or susceptible to incorrect customer, third party or other data.

Any delay or failure in developing, implementing or meeting NWB Bank's climate change-related commitments and regulatory requirements may have a material adverse impact on its business, financial condition, operating results and reputation, and lead to climate change or ESG-related investigations, enforcement proceedings or litigation.

RISK FACTORS REGARDING THE NOTES

A. Risks related to the nature of a particular issue of Notes

1. Notes subject to optional redemption by NWB Bank are likely to have a lower market value than Notes which are not subject to optional redemption by NWB Bank

An optional redemption feature of Notes is likely to limit their market value. During any period when NWB Bank may elect to redeem Notes or the perceived likelihood of its ability to redeem is increased, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

NWB Bank may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would 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.

2. FX Linked Notes, Inflation Linked Notes, CMS Linked Notes, Dual Currency Notes and Notes to which Automatic Early Redemption provisions apply

NWB Bank may issue Notes with principal or interest determined by reference to an index or formula or to movements in currency exchange rates (each, a '**Relevant Factor**'). Notes with principal or interest determined by a Relevant Factor may be particularly vulnerable to risks which may include, among others, interest rate, foreign exchange, time value and political risks. Other factors that may influence the Relevant Factor may include changes in the method of calculating the price or level of the Relevant Factor from time to time, changes to the composition of the Relevant Factor and market expectations regarding its future performance. In addition, NWB Bank may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Prospective investors should be aware that:

(i) the market price of the types of Notes referred to above may be very volatile;

(ii) they may receive no interest;

(iii) payment of principal or interest may occur at a different time or in a different currency than expected;

(iv) depending on their original principal and on the type of Notes, they may lose all or a substantial portion of their principal;

(v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified;

(vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield;

(viii) Notes may contain broad calculation agent discretions to interpret, change and redeem the Notes, where such discretions are not required to be exercised in the interest of the Noteholders; and

(ix) the sponsor of an index can add, delete or substitute the components of such index or make other methodological changes that could change the level of one or more components. The changing of the components of an index may affect the level of such index as a newly added component may perform significantly worse or better than the component it replaces, which in turn may adversely affect the value of the Notes. The sponsor of an index may also alter, discontinue or suspend calculation or dissemination of such index. The sponsor of an index will have no involvement in the offer and sale of the Notes and will have no obligation to any investor in such Notes. The sponsor of an index may take

any actions in respect of such index without regard to the interests of the investor in the Notes, and any of these actions could have an adverse effect on the value of the Notes.

3. Bearer Notes where denominations involve integral multiples: Definitive Bearer Notes

In relation to any issue of Bearer Notes which have a denomination consisting of a minimum Specified Denomination (as defined in the Terms and Conditions of the Notes) and one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of such trading, holds an amount which is less than the minimum Specified Denomination (a '**Stub Amount**') in its account with the relevant clearing system at the relevant time may not receive a Definitive Bearer Note in respect of such holding (should Definitive Bearer Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum Specified Denomination. If Definitive Bearer Notes are issued, holders should be aware that Definitive Bearer Notes which have a denomination which is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade. As long as the Stub Amount is held in the relevant clearing system, the Noteholder will be unable to transfer this Stub Amount.

4. The market value of Notes issued at a substantial discount or premium may fluctuate more in relation to conventional interest-bearing securities

The market values of securities issued at a substantial discount or premium from their principal amount, such as Zero Coupon Notes, tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Changes in market interest rates may have a stronger impact on the prices of Zero Coupon Notes than on the prices of conventional interest-bearing Notes because the discounted issue prices may be substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and same credit rating.

5. Notes issued as ESG Bonds (as defined below) may not be a suitable investment for all investors seeking exposure to green, social or sustainable assets. Any failure to use the net proceeds of any Series of Notes designed as ESG Bonds in connection with green, social or sustainable projects, and/or any failure to meet, or to continue to meet, the investment requirements of certain environmentally focused investors with respect to such Notes may affect the value and/or trading price of the ESG Bonds, and/or may have consequences for certain investors with portfolio mandates to invest in green, social or sustainable assets

No assurance that ESG Bonds will satisfy any investor requirements or expectations

NWB Bank may issue Notes under the Program where an amount equivalent to the net proceeds is specified in the applicable Final Terms to be used for the financing and/or refinancing, in whole or in part, of specified sustainable, green, environmental or social activities of NWB Bank or any of its subsidiaries, in accordance with certain prescribed eligibility criteria as in such case shall be set out in item 4(i) of Part B ('*Reasons for the offer*') of the applicable Final Terms (any Notes which have such a specified use of proceeds are referred to as '**ESG Bonds**').

NWB Bank intends to allocate an amount equal to the net proceeds from any issue of ESG Bonds to advance loans to NWB Bank's customers on a targeted basis for the purposes of the financing and/or refinancing by such customers of assets, projects and expenditures with a positive sustainability impact, which may include sustainable, environmental, green and/or social activities (together, '**Eligible Sustainable Activities**'), in line with any sustainability framework(s) that NWB Bank may publish from time to time, and/or which the Issuer expects will substantially adhere to the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines (as applicable) as published by the International Capital Markets Association (ICMA) from time to time (together, the '**Principles**'). More specifically, NWB Bank's green bond framework ('**Green Bond Framework**'), aligns on a best effort basis, with EU Taxonomy Regulation. Alignment on a best efforts basis means that if NWB Bank issues Green Bonds, NWB Bank will aim to meet the requirements for environmentally friendly sustainable economic activities as set out in the EU Taxonomy Regulation.

There may however be instances where NWB Bank, despite its best efforts, cannot meet the requirement of EU Taxonomy alignment for its Green Bond Framework, amongst others mainly due to the absence of information as a result of non-disclosing counterparties. Since most of NWB Bank's clients are not required to report under the EU Taxonomy Regulation themselves, NWB Bank will need to make use of estimates or request clients to disclose the required information voluntarily from time to time. Unlike other credit institutions with a client base that is reporting under the EU Taxonomy Regulation, NWB Bank is not able to rely on the EU Taxonomy alignment information published by its clients. It may therefore be challenging for NWB Bank to assess and verify alignment of the economic activities funded as set out in the EU Taxonomy Regulation. As NWB Bank supports the rationale behind the EU Taxonomy Regulation and EuGBS (as defined below) to direct more capital towards sustainable economic activities, NWB Bank actively monitors any developments in the field of EU Taxonomy and EuGBS.

No assurance can therefore be given by NWB Bank, the Arranger or the Dealers that the use of such amounts advanced by NWB Bank to customers for the purposes of financing or refinancing any activities which NWB Bank has identified as Eligible Sustainable Activities will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, green, sustainability or social impact of any activities, projects or uses, the subject of or related to, any Eligible Sustainable Activities.

No formal or consensus definition of a 'sustainable' (or similar) security and whether it will satisfy the criteria set out under the EU Taxonomy

The Principles are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the green bond market. While the Principles provide a high-level framework, there is currently no clearly defined legal, regulatory or other definition of a 'green', 'environmental', 'sustainable' or 'social' bond or global market consensus on what precise attributes are required for a particular activity, project or building to be defined as 'green', 'environmental', or 'sustainable' nor can any assurance be given that such a clear definition or consensus will develop over time. A basis for the determination of such a definition has been established in the EU with the EU Taxonomy Regulation. The EU Taxonomy is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the EU Taxonomy Regulation. A proposal for a regulation to create a 'European Green Bond Standard' was published by the European Commission on 6 July 2021 (the '**EuGBS**') and is currently the subject of interinstitutional negotiations. NWB Bank actively monitors any developments for the EuGBS. As described above, it also actively monitors developments in the field of the EU Taxonomy Regulation in connection with its Green Bond Framework and alignment thereof on a best efforts basis.

Accordingly, no assurance is or can be given by NWB Bank, the Arranger or the Dealers that the eligibility criteria for Eligible Sustainable Activities will satisfy any requisite criteria determined under the EU Taxonomy Regulation or within the EU Taxonomy at any time, or that any regime implemented in the United Kingdom (if any) for issuing 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled securities will align with the European (or any other) framework for such securities.

No assurance that Eligible Sustainable Activities will be completed or meet the objectives of investors

Furthermore, there can be no assurance that any Eligible Sustainable Activities will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by NWB Bank when making its assessment whether or not to apply any proceeds of ESG Bonds (or amounts equal thereto) to such Eligible Sustainable Activities.

Accordingly, no assurance is or can be given by NWB Bank, the Arranger or the Dealers to investors in ESG Bonds that any projects or uses the subject of, or related to, any Eligible Sustainable Activities will meet any or all investor expectations regarding such 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled performance objectives or that any adverse environmental, green, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Sustainable Activities.

No obligation on the Arranger or Dealers to verify Eligible Sustainable Activities or monitor the use of proceeds of Sustainable Notes

Furthermore, neither the Arranger nor any Dealer is responsible for (i) any assessment of any eligibility criteria relating to ESG Bonds, (ii) any verification of whether the relevant advance of loans by NWB Bank or the Eligible Sustainable Activities will satisfy the relevant eligibility criteria, (iii) the monitoring of the use of proceeds (or amounts equal thereto) in connection with the issue of any ESG Bonds or (iv) the allocation of the proceeds by NWB Bank to particular Eligible Sustainable Activities.

No assurance of suitability or reliability of any second party opinion

Both the Green Bond Framework and the SDG Housing Bond Framework (as defined below) are assessed by third party rating agencies. See: '*Nederlandse Waterschapsbank N.V. – Use of Proceeds – Transparency, impact reporting and external review'* for more information on these assessments by third party rating agencies. However, no assurance or representation is given by NWB Bank, the Arranger or the Dealers as to the suitability or reliability for any purpose whatsoever of any opinion, certification or report of any third party, (whether or not solicited by NWB Bank) which may be made available in connection with the issue of any ESG Bonds and/or any sustainability framework established by NWB Bank, and in particular with any Eligible Sustainable Activities to fulfil any environmental, green, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification will not be, and shall not be deemed to be, incorporated in and/or form part of the Prospectus. Any such opinion or certification is not, and should not be deemed to be, a recommendation by NWB Bank or any other person to buy, sell or hold any ESG Bonds. Any such opinion or certification will only be current as of the date on which that opinion is initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in any ESG Bonds. As at the date of this Base Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. However, pursuant to the EuGBS, providers of such opinions would be required to be registered and supervised by ESMA in the future (see: '*Nederlandse Waterschapsbank N.V. – Supervision and Regulation – Sustainability Regulations*' for more information on the EuGBS).

No assurance that ESG Bonds will be admitted to trading on any dedicated sustainable (or similar) segment of any stock exchange or market, or that any admission obtained will be maintained

If any ESG Bonds are listed or admitted to trading or otherwise displayed on any dedicated 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by NWB Bank, the Arranger or the Dealers that such listing or admission or display satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria. Any such event or failure by NWB Bank to apply an amount equal to the net proceeds of any issue of ESG Bonds to advance loans to customers to finance and/or refinance any Eligible Sustainable Activities, and/or any failure by any such customer to apply those funds to Eligible Sustainable Activities as aforesaid, and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that NWB Bank or any of NWB Bank's customers is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any ESG Bonds no longer being listed or admitted to trading or displayed on any stock exchange or securities market as aforesaid, will not (i) give rise to any claim of a Noteholder against NWB Bank (or the Arranger or any Dealer), (ii) constitute an Event of Default under any ESG Bonds or a breach or violation of any term thereof, or constitute a default by NWB Bank for any other purpose or (iii) lead to a right or obligation of NWB Bank to redeem any ESG Bonds or give any Noteholder the right to require redemption of its Notes.

Material adverse impact on trading and/or market price

If any of the risks outlined in this risk factor materialise, this may have a material adverse effect on the value of such ESG Bonds and also potentially the value of any other Notes which are intended to finance NWB Bank's lending for Eligible Sustainable Activities and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose (including, without limitation, if such investors are required to

dispose of their ESG Bonds as a result of such Notes not meeting any investment criteria or objectives set by or for such investor, which could lead to increased volatility and/or material decreases in the market price of ESG Bonds).

Potential investors should be aware that ESG Bonds may also be subject to the resolution tools granted to the competent authority under the BRRD in circumstances where NWB Bank fails or is likely to fail. See '*Risk Factors – Nederlandse Waterschapsbank N.V. – Supervision and Regulation – European Supervision and Regulation – Bank Recovery and Resolution Directive*' below for further information on the BRRD and the resolution tools that could be applied to NWB Bank.

6. The regulation and reform of 'benchmarks' may adversely affect the liquidity and value of, and return on, Notes linked to or referencing such 'benchmarks'

The interest payable on the Notes may be determined by reference to the Euro Interbank Offered Rate ('**EURIBOR**'), the Sterling Overnight Index Average ('**SONIA**'), the Secured Overnight Financing Rate ('**SOFR**'), the euro short-term rate ('**€STR**') or another reference rate (as defined in the applicable Final Terms), or another benchmark (each of these indices as well as any substitute, alternative or successor rate determined in accordance with Condition 5.2(f) or Condition 5.2(g), including the applicable tenor and currency). Various benchmarks (including interest rate benchmarks that may apply to the Notes, such as EURIBOR, SONIA, SOFR and €STR) are the subject of ongoing regulatory reform (including as a result of Regulation (EU) 2016/1011 (the '**Benchmark Regulation**') which entered into force on 1 January 2018 (see '*Nederlandse Waterschapsbank N.V. – Supervision and Regulation – European Supervision and Regulation – Benchmark Regulation*' for more information on these regulatory reforms). Further to these reforms, a transitioning away from the interbank offered rates ('**IBORs**') to 'risk-free rates' is expected and, for certain IBORs, have already taken place. NWB Bank is actively monitoring developments in respect of such reforms and implementing them as and when appropriate.

Following the implementation of any such (potential) reforms (such as changes in methodology or otherwise) or further to other pressures (including from regulatory authorities), (i) the manner of administration of benchmarks may change, with the result that benchmarks may perform differently than in the past, (ii) one or more benchmarks could be eliminated entirely, (iii) it may create disincentives for market participants to continue to administer or participate in certain benchmarks, or (iv) there could be other consequences, including those that cannot be predicted.

The potential elimination of, or the potential changes in the manner of administration of, EURIBOR, SONIA, SOFR, €STR or any other benchmark could require an adjustment to the terms and conditions to reference an alternative benchmark, or result in other consequences, including those which cannot be predicted, in respect of any Notes linked to such benchmark (including but not limited to Notes whose interest rates are linked to EURIBOR, SONIA, SOFR, €STR or any such other benchmark that is subject to reform) and may adversely affect the trading market and the value of and return on any such Notes. See also the risk factor '*Risk Factors – Future discontinuance of EURIBOR, SONIA, SOFR or €STR or other interest rate benchmarks may affect the value or payment of interest under the Notes*' for more information on the effects of potential eliminations or potential changes to such benchmarks.

Moreover, any of the above changes or any other consequential changes to the Original Reference Rate (as defined in Condition 5.2(f)) or then-current Benchmark (as defined in Condition 5.2(g)) or any other relevant benchmark, or any further uncertainty in relation to the timing and manner of implementation of such changes could affect the ability of NWB Bank to meet its obligations under the Notes and could have a material adverse effect on the value or liquidity of, and amounts payable under, the Notes based on or linked to an Original Reference Rate or other benchmark.

7. Future discontinuance of EURIBOR or other interest rate benchmarks may affect the value or payment of interest under the Notes

Investors should be aware that, if EURIBOR, SONIA, SOFR, €STR or any other benchmark were discontinued or, *inter alia*, another Benchmark Event (as defined in Condition 5.2(f)), an €STR Index Cessation Event and its related €STR Index Cessation Effective Date (each as defined in Condition 5.2(b)(vi)) or a Benchmark Transition Event and its related Benchmark Replacement Date (each as defined in Condition 5.2(g)) has occurred, the rate of interest on Notes which reference any such benchmark will be determined for the relevant period by the fallback provisions set out in Condition 5.2(f), Condition 5.2(b)(vi) or Condition 5.2(g) applicable to such Notes. Depending on the manner in which the relevant benchmark rate is to be determined under such fallback provisions as set out in the Terms and Conditions of the Notes, this may (i) be reliant upon the provision by reference banks of offered quotations for such rate which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective

application of a fixed rate based on the rate which applied in the previous period when the relevant benchmark was available.

The fallback provisions as set out in Condition 5.2(f) and Condition 5.2(g) also provide that an Adjustment Spread or Benchmark Replacement Adjustment, respectively, may be determined by the Rate Determination Agent or the Independent Adviser to be applied to the Replacement Reference Rate or Benchmark Replacement. The aim of the Adjustment Spread or Benchmark Replacement Adjustment is to reduce or eliminate, so far as practicable, any economic prejudice or benefit (as the case may be) to the Noteholders as a result of the replacement of the Original Reference Rate or then current Benchmark with the Replacement Reference Rate or Benchmark Replacement. However, there is no guarantee that such an Adjustment Spread or Benchmark Replacement Adjustment will be determined or applied, or that the application of the Adjustment Spread or Benchmark Replacement Adjustment will either reduce or eliminate economic prejudice to the Noteholders. If no Adjustment Spread or Benchmark Replacement Adjustment is determined, the Replacement Reference Rate or Benchmark Replacement may nonetheless be used to determine the Rate of Interest.

If the Issuer is unable to or otherwise does not determine a substitute, alternative or successor rate pursuant to the applicable fallback provision set out in Condition 5.2(f), Condition 5.2(b)(iv) or Condition 5.2(g), this could result in the application of the fallback provisions contained in Condition 5.2(b)(v), Condition 5.2(b)(vi) and Condition 5.2(g), which may result in the Interest Rate being the interest rate applicable as at the last preceding Interest Determination Date before the respective Benchmark Event, €STR Index Cessation Event or Benchmark Transition Event occurred and which may ultimately result in the effective application of a fixed rate to what was previously a Floating Rate Note.

In addition, due to the uncertainty concerning the availability of a substitute, alternative or successor rate, the relevant fallback provisions may not operate as intended at the relevant time. In addition, the substitute, alternative or successor rate may perform differently from the Reference Rate. For example, several risk free rates, which are overnight rates, are currently being developed, while a substitute, alternative or successor rate may have a certain maturity, for example a term of one, three or six months. Similarly, these risk free rates generally do not carry an implicit element of credit risk of the banking sector, which may form part of the Reference Rate. The differences between the substitute, alternative or successor rate and the Reference Rate could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes based on or linked to a Reference Rate or other benchmark.

8. There is a risk that the Rate Determination Agent or the Independent Adviser may be considered an 'administrator' under the Benchmark Regulation

The Rate Determination Agent or the Independent Adviser may be considered as an 'administrator' under the Benchmark Regulation. This is the case if it is considered to be in control over the provision of the Replacement Reference Rate or the Benchmark Replacement and/or the determined rate of interest applied to each Specific Denomination (the '**Rate of Interest**') on the basis of the Replacement Reference Rate or the Benchmark Replacement and any adjustments made thereto by the Rate Determination Agent or the Independent Adviser and/or otherwise in determining the applicable Rate of Interest in the context of a fallback scenario.

The Benchmark Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorised, recognised or endorsed, as applicable, in accordance with the Benchmark Regulation. There is a risk that administrators (including NWB Bank and any other party, which may act as Rate Determination Agent or the Independent Adviser) of certain benchmarks will fail to obtain such registration, authorisation, recognition or endorsement, preventing them from continuing to provide such benchmarks, or may otherwise choose to discontinue or no longer provide such benchmark. NWB Bank cannot guarantee that it or the Rate Determination Agent or the Independent Adviser will and will be able to timely obtain registration or authorisation to administrate a benchmark, in case the Rate Determination Agent or the Independent Adviser will be considered an administrator under the Benchmark Regulation. This could also affect the possibility for the Rate Determination Agent or the Independent Adviser to apply the fallback provision of Condition 5.2(f) or Condition 5.2(g) meaning that the applicable Original Reference Rate or then-current Benchmark will not be changed (but subject to the other provisions of Condition 5.2) and which may ultimately result in the effective application of a fixed rate to what was previously a Floating Rate Note, FX Linked Interest Note, CMS Linked Note or Inflation Linked Note. Other administrators may

cease to administer certain benchmarks because of the additional costs of compliance with the requirements of the Benchmark Regulation such as relating to governance and conflict of interest, control frameworks, record-keeping and complaints-handling.

Potential investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation and benchmark reforms, investigations and licensing issuances in making any investment decision with respect to the Notes.

9. The application of the fallback provisions contained in Condition 5 may lead to a conflict of interest

The application of the fallback provisions contained in Condition 5 may lead to a conflict of interests of NWB Bank and Noteholders including with respect to certain determinations and judgments that NWB Bank and the Rate Determination Agent (if not NWB Bank itself) may make pursuant to Condition 5 that may influence the amount receivable under the Notes. NWB Bank and/or any of its affiliates may have existing or future business relationships and business interests and may pursue actions and take steps that they or it deems necessary or appropriate to protect its and/or their interests arising therefrom without taking into account the consequences for a Noteholder.

10. The market continues to develop in relation to SONIA, SOFR and €STR as reference rates for Floating Rate Notes

The use of risk-free rates, including those such as SONIA, SOFR and €STR as reference rates for notes, continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt risk free rates that differ significantly from those set out in the Terms and Conditions of the Notes and used in relation to Floating Rate Notes that reference a risk-free rate issued under this Program. The Issuer may in the future also issue Notes referencing Compounded Daily SONIA, Compounded Daily SOFR, SOFR Average or Compounded Daily €STR that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Program. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Program from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related indices.

11. Risks relating to SOFR benchmark transition

If Condition 5.2(g) is also specified to be applicable in the applicable Final Terms for Floating Rate Notes, and the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Issuer will appoint an Independent Adviser (as defined in Condition 5.2(g)) to determine (in consultation with the Issuer) the Benchmark

Replacement in accordance with the benchmark transition provisions described in Condition 5.2(g). After such an event, interest on the relevant Notes will no longer be determined by reference to the Benchmark, but instead will be determined in accordance with the benchmark transition provisions described in Condition 5.2(g).

The selection of a Benchmark Replacement, and any decisions, determinations or elections made by the Issuer in connection with implementing a Benchmark Replacement with respect to the relevant Notes in accordance with the benchmark transition provisions, including with respect to Benchmark Replacement Conforming Changes, could adversely affect the rate of interest on such Notes, which could adversely affect the return on, value of and market for such Notes. Further, there is no assurance that the characteristics of any Benchmark Replacement will be similar to the Benchmark, or that any Benchmark Replacement will produce the economic equivalent of the Benchmark as a reference rate for interest on such Notes.

The Terms and Conditions of the Notes, as further described in Condition 5.2(g), provides for a 'waterfall' of alternative rates to be used to determine the rate of interest on the relevant Notes if a Benchmark Transition Event and related Benchmark Replacement Date occur.

The future performance of SOFR cannot be predicted based on the limited historical performance. Levels of SOFR following the occurrence of a Benchmark Transition Event and related Benchmark Replacement Date may bear little or no relation to the historical actual or historical indicative data. Prior observed patterns, if any, in the behavior of market variables and their relation to SOFR, such as correlations, may change in the future. While, as at the date of this Base Prospectus, some pre-publication historical data have been released by the Federal Reserve Bank of New York, such analysis inherently involves assumptions, estimates and approximations. The future performance of SOFR is impossible to predict and therefore no future performance of SOFR may be inferred from any of the historical actual or historical indicative data. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of SOFR.

The additional alternative rates referenced in the definition of 'Benchmark Replacement' in Condition 5.2(g) are also uncertain. In particular, the ISDA Fallback Rate, which is the rate referenced in the applicable ISDA Definitions at the time of a Benchmark Transition Event and related Benchmark Replacement Date, has not been established as of the date of this Base Prospectus. Even after the ISDA Fallback Rate is initially determined, the ISDA Definitions and the ISDA Fallback Rate may change over time. If each alternative rate referenced in the definition of 'Benchmark Replacement' is unavailable or indeterminable, the Independent Adviser, in consultation with the Issuer, will determine the Benchmark Replacement that will apply to the relevant Notes. The substitution of a Benchmark Replacement may adversely affect the value of and return on the relevant Notes.

B. Risks related to Notes generally

12. Modification and waiver provisions set out in the Terms and Conditions of the Notes, if invoked, can result in modifications and/or waivers, the result of which may, in certain circumstances, be adverse to one or more of the Noteholders

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders (as defined in the 'Terms and Conditions of the Notes') to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority in respect of the modification of certain provisions of the Notes (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or canceling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes).

Any such modification may be contrary to the interest of one or more Noteholders, and as a result the Notes may no longer meet the requirements or investment objectives of such Noteholder.

13. The Notes are, or may be, subject to restrictions on transfer which may restrict investors' investment strategy in respect of such Notes

The Notes have not been and will not be registered under the Securities Act or any U.S. state securities laws and the Notes may not be offered, sold or delivered within the United States, or to or for the account or benefit of U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or a transaction not subject to, the registration

requirements of the Securities Act and applicable U.S. state securities laws, or pursuant to an effective registration statement. The Notes and the Agency Agreement (as defined in the Terms and Conditions of the Notes) will contain provisions that will restrict the Notes from being offered, sold or otherwise transferred except pursuant to the exemptions available pursuant to Rule 144A and Regulation S, or other exemptions under the Securities Act. Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Bearer Notes may not be offered, sold or delivered within the United States or to United States persons, as are defined in the U.S. Internal Revenue Code of 1986 (as amended, the '**Code**') and the U.S. Treasury regulations promulgated thereunder. See 'Plan of Distribution' and 'Transfer Restrictions'. Investors must ensure that their offers and sales of the Notes within the United States and other countries comply with all applicable laws, including, amongst others, the laws mentioned above. If offers and sales of Notes do not comply with all applicable laws in relevant jurisdictions, Notes may not be able to be sold, transferred or delivered to certain investors and investors may not be able to sell, transfer and deliver Notes to third parties who are residents, citizens or holders of securities accounts in such jurisdictions.

14. Notes held in global form

A holder of a beneficial interest in a note held in global form must rely on the procedures of Euroclear Bank SA/NV ('**Euroclear**') and/or Clearstream Banking, S.A. ('**Clearstream, Luxembourg**') and/or The Depository Trust Company ('**DTC**') to receive payments under the relevant Notes and may therefore not be able to enforce its rights to receive payment with respect to those Notes directly against NWB Bank or the Paying Agent.

Notes which are held in global form will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be. Such rules and procedures may place restrictions or time constraints on the transferability of Notes to certain investors.

15. Nominee arrangements may result in investors being exposed to credit risk and default risk in respect of such nominee

Where, in the case of an issue of Notes a nominee service provider is used by an investor to hold the relevant Notes or such investor holds interests in any Series of Notes through accounts with a clearing system (such as Euroclear, Clearstream, Luxembourg or DTC), such investor will receive payments in respect of principal, interest, (if any) or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider or clearing system, as the case may be. Furthermore, such investor must rely on the relevant nominee service provider or clearing system to distribute all payments attributable to the relevant Notes which are received from NWB Bank. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as NWB Bank.

For the purposes of (a) distributing any notices to Noteholders, and (b) recognizing Noteholders for the purposes of attending and/or voting at any meetings of Noteholders, NWB Bank will recognize as Noteholders only those persons who are at any time shown as accountholders in the records of Euroclear and/or Clearstream, Luxembourg and/or DTC as persons holding a principal amount of the relevant Series of Notes. Accordingly, an investor must rely upon the nominee service provider which is the accountholder with the relevant clearing system through which the investor made arrangements to invest in the Notes (and, if applicable, the domestic clearing system through which the Notes are held), to forward notices received by it from Euroclear and/or Clearstream, Luxembourg and/or DTC and to return the investor's voting instructions or voting certificate application to Euroclear and/or Clearstream, Luxembourg and/or DTC. Accordingly, such an investor will be exposed to the risk that the relevant nominee service provider or clearing system may fail to pass on the relevant notice to, or fail to take relevant instructions from, the investor.

In addition, such a Noteholder will only be able to sell any Note held by it prior to its stated maturity date with the assistance of the relevant nominee service provider.

16. Notes in New Global Note form

The New Global Note ('**NGN**') form has been introduced to allow for the possibility of debt instruments being issued and held in a manner which will permit them to be recognized as eligible collateral for monetary policy of the central banking system for the euro (the '**Eurosystem**') and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Investors should make their own assessment as to whether the Notes meet such Eurosystem eligibility criteria, as updated from time to time and generally published on the

website of the European Central Bank. If Notes do not satisfy Eurosystem eligibility criteria, then such Notes will not be eligible collateral of the Eurosystem and this may adversely affect the market value of such Notes as an equivalent investment which meets the Eurosystem eligibility criteria may be more attractive to investors.

17. Change of law and jurisdiction

The conditions of the Notes are governed by the laws of the Netherlands in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any other applicable laws, regulations or administrative practices after the date of this Base Prospectus. Such changes in laws may include, but are not limited to, amendments to a variety of statutory resolution and loss-absorption tools which may affect the rights of holders of securities issued by NWB Bank, including the Notes, or requirements with respect to the minimum levels of own funds and eligible liabilities to be maintained by NWB Bank. Any such change could materially adversely impact the value of any Notes affected by it. See also the risk factors entitled '*Risk Factors – Risks related to the Dutch Intervention Act, BRRD and SRM Regulation*' and '*Risk Factors – NWB Bank is subject to substantial regulation and oversight. Significant regulatory developments and changes in the approach of NWB Bank's regulators are likely to have a material adverse effect on NWB Bank's operations or profitability*' for more information on changes to laws and the potential impacts on the value of any Notes.

Prospective investors should note that the courts of the Netherlands will have jurisdiction in respect of any disputes involving any Series of Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against NWB Bank in any court of competent jurisdiction. The laws of the Netherlands may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes and the application of the laws of the Netherlands may therefore lead to a different interpretation of, amongst others, the Terms and Conditions of the Notes than the investor may expect if the equivalent law of his home jurisdiction were applied.

C. Risks related to the admission of the securities to trading on a regulated market

18. Liquidity risks

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. Liquidity could be affected by a number of factors. 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. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes will generally have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a material adverse effect on the market value of Notes.

19. Exchange rate risks and exchange controls

NWB Bank will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (the '**Specified Currency**'). 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 the Specified Currency. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Specified Currency 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 the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls (such as, but not limited to, requirements concerning the transfer or conversion of assets held in a specific state). Imposed exchange controls could adversely affect an applicable exchange rate. As a result, investors may receive less interest and/or principal than expected, or no interest and/or principal.

20. Interest rate risk

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the interest rate paid on the Fixed Rate Notes, this may adversely affect the value of the Fixed Rate Notes as an equivalent investment issued at the current market interest rate may be more attractive to investors. In this event, such Fixed Rate Notes can suffer higher price losses than other Notes having the same maturity and same credit rating but paying a higher fixed rate of interest.

21. Credit rating risk

Credit or corporate ratings may not reflect all risks. One or more independent rating agencies may assign ratings to the Notes and/or NWB Bank. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes or the standing of NWB Bank. A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In the event a rating assigned to the Notes and/or NWB Bank is lowered for any reason, the market value of the Notes may be adversely affected, but no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes.

In general, European regulated investors are restricted from using a rating for regulatory purposes in the EEA unless such rating is issued by a credit rating agency established in the European Union and registered under Regulation (EU) No 1060/2009 (as amended, the '**CRA Regulation**') (and such registration has not been withdrawn or suspended) or either the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or the rating is provided by a credit rating agency not established in the EEA, but which is certified under the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

The list of registered and certified rating agency(ies) published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency(ies) included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 (the '**UK CRA Regulation**'). As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK-registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

RESPONSIBILITY STATEMENT

The Issuer has confirmed that this Base Prospectus contains all information regarding the Issuer, the Program and (subject to being completed by any Final Terms as referred to below) the Notes, which is (in the context of the Program and the issue of the Notes) material, and such information is true and accurate in all respects and is not misleading. The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best knowledge of the Issuer the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained in this Base Prospectus has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from the information published by such third parties, does not omit anything likely to render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Series (as defined in the Terms and Conditions of the Notes) of Notes will be set forth in the applicable Final Terms which will be delivered to the applicable regulatory authorities and with respect to listed Notes will be delivered to the relevant stock exchange on or before the relevant Issue Date of the Notes of such Series.

None of the Issuer, the Arrangers, any Dealer appointed under the Program or any Paying Agent shall be responsible for the acts or omissions of any relevant nominee service provider or clearing system nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or clearing system.

IMPORTANT NOTICES

This Base Prospectus has been approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Base Prospectus shall be valid for use only by the Issuer for a period of up to 12 months after its approval by the AFM and shall expire on 28 April 2024, at the latest. The obligation to supplement this Base Prospectus, in the event of significant new factors, material mistakes or material inaccuracies only, shall cease to apply upon the expiry of the validity period of this Base Prospectus.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see '*Documents Incorporated by Reference*') and shall be read and construed on the basis that such documents are incorporated in and form part of this Base Prospectus. In addition, this Base Prospectus should, in relation to any Series (as defined in the applicable Final Terms and the Terms and Conditions of the Notes) of Notes, be read and construed together with the applicable Final Terms.

In the context of an '**offer to the public**' as defined in the Prospectus Regulation, and except as otherwise provided in the applicable Final Terms, the only persons authorized to use this Base Prospectus in connection with an offer or listing of Notes are the persons specified in the applicable Final Terms as the relevant Dealer or the Managers and the persons named in or identifiable following the applicable Final Terms as the Financial Intermediaries as the case may be.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Program provides that Notes may be admitted to listing, trading and/or quotation on Euronext Amsterdam, the Luxembourg Stock Exchange, Euronext Paris and Eurex Deutschland. In addition, Notes may be listed or admitted to trading, as the case may be, on any other stock exchange or market specified in the applicable Final Terms. The Program also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

The Issuer will give undertakings in connection with the listing of the Notes on Euronext Amsterdam, the Luxembourg Stock Exchange, Euronext Paris and Eurex Deutschland, or any other stock exchange or market to the effect that, so long as any Note remains outstanding and listed on Euronext Amsterdam, the Luxembourg Stock Exchange, Euronext Paris and Eurex Deutschland or any other stock exchange or market in the event of any material adverse change in the financial condition of the Issuer which is not reflected in this Base Prospectus or if a significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus arises or is noticed, the Issuer will prepare a supplement to this Base Prospectus or publish a new base prospectus. If the terms of this Program are modified or amended in a manner which would make this Base Prospectus, as supplemented, inaccurate or misleading, a new base prospectus or a supplement to the Base Prospectus will be prepared.

This Base Prospectus and any supplement will only be valid for listing Notes on Euronext Amsterdam, the Luxembourg Stock Exchange, Euronext Paris and Eurex Deutschland or any other stock exchange or market in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Program, does not exceed €75,000,000,000 or its equivalent in any other currency. For the purpose of calculating the aggregate nominal amount of Notes issued under the Program from time to time:

(i) the Euro equivalent of Notes denominated in another Specified Currency shall be determined, at the discretion of the Issuer, as of the date of agreement to issue such Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in Amsterdam, in each case on

the basis of the spot rate for the sale of the Euro against the purchase of such Specified Currency in the Amsterdam foreign exchange market quoted by any leading bank selected by the Issuer on such date;

(ii) the amount (or, where applicable, the Euro equivalent) of Dual Currency Notes, FX Linked Notes, Inflation Linked Notes, CMS Linked Notes and Partly Paid Notes (each as defined in the Terms and Conditions of the Notes) shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the original principal amount of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and

(iii) the amount (or, where applicable, the Euro equivalent) of Zero Coupon Notes (as defined in the Terms and Conditions of the Notes) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in Euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Base Prospectus or any Final Terms or as approved in writing for such purpose by the Issuer and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Program should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Program should purchase any Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Dealers, in their capacity as such, or any of their respective affiliates and neither the Dealers (acting in their capacity as such) nor any of their respective affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained herein. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Program constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

The delivery of this Base Prospectus or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances create any implication that there has been no adverse change in the financial situation of the Issuer since the date hereof or, as the case may be, the date upon which the Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date hereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Program is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Program. Investors should review, *inter alia*, the Financial Information (as defined in '*Presentation of Financial and Other Information – Presentation of Financial Information*') and the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any 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 Base Prospectus and any Final Terms and the offer, sale and delivery of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any 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, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base 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 Base 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 Base Prospectus or any Notes may come must inform themselves about, and observe any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the United Kingdom, the European Economic Area (including France and the Netherlands) and Japan, see '*Plan of Distribution*' and '*Transfer Restrictions*'.

In particular, the Notes have not been and will not be registered under the Securities Act or any U.S. state securities laws and the Notes may not be offered, sold or delivered within the United States, or to or for the account or benefit of U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws, or pursuant to an effective registration statement. Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Bearer Notes may not be offered, sold or delivered within the United States or to U.S. persons, as defined in the Code, and the U.S. Treasury regulations promulgated thereunder.

The Notes may be offered and sold (a) in bearer form outside the United States to non-U.S. persons in reliance on Regulation S and (b) in registered form within the United States to QIBs within the meaning of and in reliance on Rule 144A and outside the United States to non-U.S. persons in reliance on Regulation S. **Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A**. For a description of these and certain further restrictions on offers, sales and transfers of Notes, see '*Plan of Distribution*' and '*Transfer Restrictions*'.

The Program and the Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission (the '**SEC**'), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.

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

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

MiFID II product governance / target market – The Final Terms in respect of any Notes may include a legend entitled '*MiFID II Product Governance*' which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a '**distributor**') should take into consideration the 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.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the '**MiFID Product Governance Rules**'), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

UK MiFIR product governance / target market – The Final Terms in respect of any Notes may include a legend entitled 'UK MiFIR Product Governance' which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a '**distributor**') should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the '**UK MiFIR Product Governance Rules**') 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.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

In order to facilitate the offering of any Tranche of the Notes, certain persons participating in the offering of the Tranche may engage in transactions that stabilize, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilize or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilizing or other transactions. Such transactions, if commenced, may be discontinued at any time. Under United Kingdom laws and regulations stabilizing activities may only be carried on by the Stabilizing Manager(s) specified in the applicable Final Terms (or persons acting on behalf of any Stabilizing Manager(s)) and only for a limited period following the Issue Date of the relevant Tranche of Notes.

However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilization action or over-allotment must be conducted in accordance with all applicable laws and regulations. Any stabilization activity in connection with the Notes listed or to be listed on Euronext Amsterdam will be conducted (on behalf of the Stabilizing Manager(s)) by a member of Euronext Amsterdam. Any loss or profit sustained as a consequence of any such over-allotment or stabilizing shall, as against the Issuer, be for the account of the Stabilizing Manager(s).

All references in this document to 'U.S. Dollars', 'U.S. $' and '$' refer to the currency of the United States, those to 'Japanese Yen', 'Yen' and '¥' refer to the currency of Japan, those to 'Swiss Francs' and 'CHF' refer to the currency of Switzerland, those to 'Sterling' and '£' refer to the currency of the United Kingdom, those to 'AUD' refer to the currency of Australia and those to '€', 'Euro' and 'EUR' 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. All references to 'the Netherlands', 'the State of the Netherlands' and 'the Dutch State' are limited to the part of the Kingdom of the Netherlands that is situated in Europe.

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark under the Benchmark Regulation. If any such reference rate does constitute such a benchmark, the relevant Final Terms will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation. Not every reference rate will fall within the scope of the Benchmark Regulation. Furthermore, transitional provisions in the Benchmark Regulation may have the result that an administrator and/or a benchmark is not required to appear in the register of administers and benchmarks at the date of the relevant Final Terms. The registration status of any administrator or benchmark under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update any Final Terms to reflect any change in the registration status of the administrator.

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:

(i) 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 Base Prospectus and any supplement hereto;

(ii) 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;

(iii) 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;

(iv) understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices in the financial markets (including the risks associated therewith) as such investor is more vulnerable to any fluctuations in the financial markets generally;

(v) 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 investments and its ability to bear the applicable risks; and

(vi) be aware that he or she may receive no interest, that payment of principal or interest may occur at a different time or in a different currency than expected, or that he or she may lose all or a substantial portion of their principal.

Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes. Notes issued in bearer form ('**Bearer Notes**') generally may not be offered or sold in the United States or to U.S. persons as such terms are defined in the Code. Unless an exemption applies, a U.S. person holding a Bearer Note or interest coupon ('**Coupon**') will not be entitled to deduct any loss on the Bearer Note or Coupon for U.S. federal income tax purposes and must treat as ordinary income any gain realized on the sale or other disposition (including the receipt of principal) of the Bearer Note or Coupon.

AVAILABLE INFORMATION

The Issuer has agreed that, for so long as any Notes are 'restricted securities' within the meaning of Rule 144(a)(3) under the Securities Act, it will, during any period in which it is neither subject to Section 13 or 15(d) of the United States Securities Exchange Act of 1934 (as amended, the '**Exchange Act**'), nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, furnish to each holder of such Notes in connection with any resale thereof and to any prospective purchaser of such Notes from such holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a limited liability company (*naamloze vennootschap*) organized under the laws of the Netherlands. All of the officers and directors named herein reside outside of the United States and all or a substantial portion of the assets of the Issuer and its officers and directors are located outside the United States. As a result, prospective investors may have difficulties effecting service of process in the United States upon the Issuer or such persons in connection with any lawsuits related to the Notes, including actions arising under the federal securities laws of the United States. In addition, investors may have difficulties in enforcing in original actions brought in courts in jurisdictions outside the United States, liabilities predicated upon U.S. securities laws.

In the absence of an enforcement treaty between the Netherlands and the United States, a judgment of a U.S. court cannot be enforced in the Netherlands. In order to obtain a judgment that can be enforced in the Netherlands against the Issuer, the dispute will have to be re-litigated before the competent Dutch court. The basic premise is that a final judgment for payment given by a U.S. court will in principle be acknowledged in the Netherlands if (i) the jurisdiction of the U.S. court is based on a ground of jurisdiction that is generally acceptable according to international standards, (ii) the judgment by the U.S. court was rendered in legal proceedings that comply with the standards of the proper administration of justice that includes sufficient safeguards (*behoorlijke rechtspleging*), (iii) acknowledgement of the judgment of the U.S. court is not contrary to Dutch public policy (*openbare orde*), and (iv) the judgment by the U.S. court is not incompatible with a decision rendered between the same parties by a Dutch court, or with a previous decision rendered between the same parties by a foreign court in a dispute that concerns the same subject and is based on the same cause, provided that the previous decision qualifies for acknowledgement in the Netherlands. Moreover, even if a judgment by a U.S. court satisfies the above requirements, the Dutch court may still deny a claim for a judgment if such U.S. court judgment is not, not yet or no longer formally enforceable according to the relevant U.S. state and federal laws. Dutch courts may deny the recognition and enforcement of punitive damages or other similar awards. Moreover, a Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. In addition, there is doubt as to whether a Dutch court would impose civil liability on the Issuer, its officers or directors or certain experts named herein in an original action predicated solely upon the U.S. federal securities laws brought in a court of competent jurisdiction in the Netherlands against the Issuer or such directors or experts, respectively.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

NWB Bank's financial information included in this Base Prospectus consists of the following:

- The audited financial information of NWB Bank prepared in accordance with Dutch GAAP as at and for the financial years ended 31 December 2022, 2021 and 2020; and
- Selected financial information of NWB Bank as at and for the financial years ended 31 December 2019 and 2018.

Unless otherwise indicated, the financial information in this Base Prospectus relating to NWB Bank has been derived from the Financial Information (as defined below) and the selected financial information of NWB Bank as at and for the financials years ended 31 December 2019 and 2018.

NWB Bank's financial year ends on 31 December, and references in this Base Prospectus to any specific year are to the twelve month period ended on 31 December of such year.

Certain Defined Terms and Conventions

Capitalized terms which are used but not defined in any particular section of this Base Prospectus will have the meaning attributed thereto in the Terms and Conditions of the Notes or any other section of this Base Prospectus.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments; accordingly figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Base Prospectus (or any supplement hereto) may be deemed to be forward-looking statements. Forward-looking statements include all statements other than historical statements of fact, including, without limitation, those concerning the Issuer's financial position, plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward-looking statements. When used in this Base Prospectus (or any supplement hereto), the words 'anticipates', 'estimates', 'expects', 'believes', 'intends', 'plans', 'aims', 'seeks', 'may', 'will', 'should' and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in '*Risk Factors*', '*Operating and Financial Review*', '*Nederlandse Waterschapsbank N.V.*' and other sections of this Base Prospectus (or any supplement hereto).

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results to be materially different from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following:

- economic and financial market conditions, in particular the Dutch and European economies;
- stalling of economic recovery in Europe;
- fluctuations in interest rates;
- liquidity risk and adverse capital and credit market conditions;
- credit and counterparty risk;
- a downgrade in the Dutch State's or the Issuer's credit ratings;
- negative occurrences in the markets in which the Issuer's loan portfolio is concentrated;
- the Issuer's inability to manage risks through derivatives;
- the ineffectiveness of the Issuer's risk management policies and procedures;
- operational risk;
- the occurrence of catastrophic events, health pandemics, terrorist attacks and similar events;
- significant adverse regulatory developments;
- interruption, failure or breach of the Issuer's operational systems, including the Issuer's IT systems and other systems on which it depends; and
- failure to deliver of third parties to which the Issuer has outsourced certain functions.

The Issuer's risks are more specifically described in '*Risk Factors*'. The Issuer has based these forward-looking statements on the current view of its management with respect to future events and financial performance, which is based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. Although the Issuer believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus (or any supplement hereto), if one or more of the risks or uncertainties materialize, including those identified above or which the Issuer has otherwise identified in this Base Prospectus (or any supplement hereto), or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, the Issuer's actual results, performance or achievements, or industry results may be materially different from those expressed or implied by these forward-looking statements. Any forward-looking statements contained in this Base Prospectus or any supplement hereto speak only as at the date of this Base Prospectus or such supplement. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus (or any supplement hereto) any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and form part of, this Base Prospectus:

(i) the Articles of Association of NWB Bank (translated into English). See: https://nwbbank.com/download_file/articles-of-assocation.pdf

(ii) the audited financial information, and auditors report, prepared on the basis of Dutch GAAP as at and for the years ended 31 December 2020, 2021 and 2022 as included in NWB Bank's annual report for 2020 on pages 120 up to and including page 208, for 2021 on pages 124 up to and including page 198 and for 2022 on pages 121 up to and including page 189, respectively. See:
https://nwbbank.com/download_file/annual-report-2020.pdf
https://nwbbank.com/download_file/annual-report-2021.pdf; and
https://nwbbank.com/download_file/annual-report-2022.pdf.

(iii) to the extent they apply to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, the Terms and Conditions of the Notes taken from the Base Prospectuses dated 18 May 2010 (page 49 up to and including 69), 3 May 2011 (page 85 up to and including 112), 7 October 2011 (page 74 up to and including 97), 10 May 2012 (page 77 up to and including 99). See:
https://nwbbank.com/download_file/base-prospectus-2010.pdf;
https://nwbbank.com/download_file/base-prospectus-2011.pdf;
https://nwbbank.com/download_file/base-prospectus-2011-2.pdf; and
https://nwbbank.com/download_file/base-prospectus-2012.pdf.

(iv) the Terms and Conditions of the Notes taken from the Base Prospectuses dated 28 May 2013 (page 73 up to and including 112), 28 April 2014 (page 73 up to and including 112), 28 April 2015 (page 73 up to and including 113), 28 April 2016 (page 74 up to and including 114), 28 April 2017 (page 77 up to and including 117), 30 April 2018 (page 82 up to and including 123), 30 April 2019 (page 83 up to and including 125), 30 April 2020 (page 75 up to 115), 30 April 2021 (page 77 up to 127) and 29 April 2022 (page 79 up to 129). See:
https://nwbbank.com/download_file/base-prospectus-2013.pdf;
https://nwbbank.com/download_file/base-prospectus-2014.pdf;
https://nwbbank.com/download_file/base-prospectus-2015.pdf;
https://nwbbank.com/download_file/base-prospectus-2016.pdf;
https://nwbbank.com/download_file/base-prospectus-2017.pdf;
https://nwbbank.com/download_file/base-prospectus-2018.pdf;
https://nwbbank.com/download_file/base-prospectus-2019.pdf;
https://nwbbank.com/download_file/base-prospectus-2020.pdf;
https://nwbbank.com/download_file/base-prospectus-2021.pdf; and
https://nwbbank.com/download_file/base-prospectus-2022.pdf.

Any other information which is contained in any document mentioned under points (ii) through (iv) above but not specifically stated as being incorporated by reference is either not relevant for investors or covered elsewhere in this Base Prospectus. Any statement contained in this Base Prospectus or in a document incorporated by reference into this Base Prospectus will be deemed to be modified or superseded for the purposes of this Base Prospectus to the extent that a statement contained in any subsequent document modifies or supersedes that statement. Any statement that is modified or superseded in this manner will no longer be a part of this Base Prospectus except as modified or superseded. A supplement to this Base Prospectus, if appropriate, will be made available which will describe any subsequent documents incorporated by reference into this Base Prospectus.

NWB Bank will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Written requests for such documents should be directed to NWB Bank at its registered office set out at the end of this Base Prospectus. In addition, such documents will be available from the London office of Citibank N.A., London Branch (as set out at the end of this Base Prospectus) in its capacity as Principal Paying Agent and at the offices of Banque Internationale à Luxembourg in its capacity as Non-U.S. Paying Agent (as set out at the end of this Base Prospectus).

The Base Prospectus and the documents incorporated by reference may also be found on the investor relations section of NWB Bank's website: https://nwbbank.com/en/investor-relations/funding-programmes and may be obtained by contacting NWB Bank by telephone (+31 70 416 62 66) or by e-mail: legal@nwbbank.com.

FORM OF THE NOTES

The Notes will either be issued in the form of Bearer Notes, with or without interest coupons attached, or in the form of Registered Notes, without interest coupons attached. Bearer Notes will be offered and sold outside the United States to persons that are not U.S. persons in reliance on Regulation S and Registered Notes will be offered and sold both outside the United States in reliance on Regulation S and within the United States to persons who are QIBs in reliance on Rule 144A. Bearer Notes are subject to U.S. tax law requirements.

Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will be initially represented by a Temporary Bearer Global Note or, if so specified in the applicable Final Terms, a Permanent Bearer Global, without receipts, interest coupons or talons, which in either case, will:

(i) if the Bearer Global Notes are intended to be issued in NGN form, as specified in the applicable Final Terms, be delivered on or prior to the original issue date (the '**Issue Date**') of the Tranche to a common safekeeper for Euroclear and Clearstream, Luxembourg; or

(ii) if the Bearer Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system.

Notes issued in accordance with the provisions of the TEFRA D Rules will be initially represented by a Temporary Bearer Global Note.

Whilst any Note issued in accordance with the TEFRA D Rules is represented by a Temporary Bearer Global Note, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Temporary Bearer Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by the relevant clearing system(s) and the relevant clearing system(s) have given a like certification (based on the certifications they have received) to the Principal Paying Agent. Any reference in this section to the relevant clearing system(s) shall mean the clearing and/or settlement system(s) specified in the applicable Final Terms.

On and after the date (the '**Exchange Date**') which will be from the 40th day after the date on which the Temporary Bearer Global Note is issued, interests in the Temporary Bearer Global Note will be exchangeable (free of charge), upon request as described therein, either for interests in a Permanent Bearer Global Note without receipts, interest coupons or talons or for Definitive Bearer Notes (as specified in the applicable Final Terms) in each case, if the Notes are issued in accordance with TEFRA D Rules, against certification of non-U.S. beneficial ownership as described in the preceding paragraph unless such certification has already been given. Bearer Notes will not be delivered in the United States. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date, unless upon due presentation of the Temporary Bearer Global Note for exchange as aforesaid, delivery of an interest in a Permanent Bearer Global Note or of Definitive Bearer Notes or Coupons is improperly withheld or refused.

Definitive Bearer Notes will be in the standard euromarket form. Definitive Bearer Notes and Bearer Global Notes will be payable to bearer.

Payments of principal and interest (if any) on a Permanent Bearer Global Note will be made through the relevant clearing system(s) (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification. A Permanent Bearer Global Note will be exchangeable (free of charge), in whole or, subject to the Notes which continue to be represented by the Permanent Bearer Global Note being regarded by the relevant clearing system(s) as fungible with the Definitive Bearer Notes issued in partial exchange for such Permanent Bearer Global Note, in part in accordance with the applicable Final Terms, for security printed Definitive Bearer Notes with, where applicable, receipts, interest coupons or coupon sheets and talons attached. Such exchange may be made, as specified in the applicable Final Terms either: (i) upon not less than 30 days' written notice to the Principal Paying Agent by Euroclear,

Clearstream, Luxembourg and/or another relevant Clearing System (acting on the instructions of any of its participants) as described therein or (ii) only upon the occurrence of an Exchange Event. An '**Exchange Event**' means (1) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg, 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 alternative clearing system is available or (2) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8 which would not be required were the Notes represented by Definitive Bearer Notes. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 upon the occurrence of an Exchange Event. In the event of the occurrence of any Exchange Event, Euroclear and/or Clearstream, Luxembourg acting on the instructions of any holder of an interest in the Bearer Global Note may give notice to the Principal Paying Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (2) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur no later than 30 days after the date on which the relevant notice is received by the Principal Paying Agent. Bearer Global Notes and Definitive Bearer Notes will be issued pursuant to the Agency Agreement. At the date hereof, neither Euroclear nor Clearstream, Luxembourg regard Bearer Notes in global form as fungible with Definitive Bearer Notes. In the event that the relevant Permanent Bearer Global Note is not, in the case of (i) or (ii) above, duly exchanged for Definitive Bearer Notes on the thirtieth day after the time at which the preconditions to such exchange are first satisfied then, if permitted by applicable law and the regulations of the relevant clearing system, relevant account holders with Euroclear and Clearstream, Luxembourg and any other agreed clearing system will be able to enforce against the Issuer all rights which they would have had if they had been holding Definitive Bearer Notes to the relevant value at the time of such event. Payments by the Issuer to the relevant account holders will be considered as payments to the relevant Noteholder and operate as full and final discharge to the Issuer in this respect.

The following legend will appear on all Permanent Bearer Global Notes and Definitive Bearer Notes, receipts and interest coupons (including talons) which are issued in accordance with TEFRA D Rules:

'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.'

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, receipts or interest coupons.

Bearer Notes will be issued in Specified Denomination subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Bearer Notes of one denomination will not be exchangeable after their initial delivery for Bearer Notes of any other denomination.

In case of Bearer Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Bearer Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. So long as such Notes are represented by a Temporary Bearer Global Note or Permanent Bearer Global Note and the relevant clearing system(s) so permit, these Bearer Notes will be tradable only in the minimum Specified Denomination increased with integral multiples of such a smaller amount, notwithstanding that Definitive Bearer Notes shall only be issued in denominations which may be up to twice the minimum Specified Denomination.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a '**Regulation S Global Note**'). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 of the Terms and Conditions of the Notes and may not be held otherwise than through DTC, Euroclear and/or Clearstream, Luxembourg, and such Regulation S Global Note will bear a legend regarding such restrictions on transfer. The Registered Notes of each Tranche offered and sold in the United States may only be offered and sold in private transactions to QIBs and will be represented by a global note in registered form (a '**Rule 144A Global Note**' and, together with a Regulation S Global Note, '**Registered Global Notes**').

Registered Global Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of, DTC or (ii) be deposited with a common depositary or common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg and registered in the name of a common depositary of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Individual Note Certificates. The Registered Global Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will be made to the person shown on the Register (as defined in Condition 6.5 of the Terms and Conditions of the Notes) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Individual Note Certificate will be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6.5 of the Terms and Conditions of the Notes) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for Individual Note Certificates without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, '**Exchange Event**' means that (i) an Event of Default has occurred and is continuing, (ii) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act and no alternative clearing system is available, (iii) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iv) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8 of the Terms and Conditions of the Notes which would not be required were the Notes represented by Individual Note Certificates. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 of the Terms and Conditions of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar. Registered Notes will be in such Specified Denomination(s), specified in the applicable Final Terms and which may include a minimum denomination specified in the applicable Final Terms and higher integral multiples of a smaller amount specified in the applicable Final Terms.

Transfer of Interests

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in such Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC or Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see '*Plan of Distribution*' and '*Transfer Restrictions*'.

General

Pursuant to the Agency Agreement, the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CUSIP and CINS number ('identifying number(s)') which are different from the common code, ISIN, CUSIP and CINS assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S)

applicable to the Notes of such Tranche, and in the case of Bearer Notes issued in accordance with the TEFRA D Rules that are initially represented by a Temporary Bearer Global Note exchangeable for interests in a Permanent Bearer Global Note or Definitive Bearer Notes, such additional Bearer Notes will have a unique identifying number or numbers until such exchange occurs following certification of non-U.S. beneficial ownership, and in the case of Registered Notes, such additional Registered Notes will have a unique identifying number or numbers unless such further Registered Notes are fungible with the previously issued Registered Notes for U.S. federal income tax purposes.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer and the Principal Paying Agent.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplemental base prospectus, a new base prospectus or a drawdown prospectus, as appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear, or Clearstream, Luxembourg, (together, the '**Clearing Systems**') currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

Book-entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organized under the New York Banking Law, a 'banking organization' within the meaning of the New York Banking Law, a member of the United States Federal Reserve System, a 'clearing corporation' within the meaning of the New York Uniform Commercial Code and a 'clearing agency' registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ('**Participants**') deposit with DTC. DTC also facilitates the clearance and settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants ('**Direct Participants**') include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ('**DTCC**'). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ('**Indirect Participants**'). More information about DTC can be found at www.dtcc.com and www.dtc.org, but such information is not incorporated by reference in and does not form part of this Base Prospectus.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the '**Rules**'), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ('**DTC Notes**') as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes ('**Owners**') have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ('**Beneficial Owner**') is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are

credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the relevant agent (or such other nominee as may be requested by an authorized representative of DTC), on the relevant payment date in accordance with their respective holdings shown in DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in 'street name', and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct Participants and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for Individual Note Certificates, which it will distribute to its participants in accordance with their proportionate entitlements upon the entry of such participants on the register and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under 'Plan of Distribution' and 'Transfer Restrictions'.

A Beneficial Owner shall give notice to elect to have its DTC Notes purchased or tendered, through its participant, to the relevant agent, and shall effect delivery of such DTC Notes by causing the Direct Participant to transfer the participant's interest in the DTC Notes, on DTC's records, to the relevant agent. The requirement for physical delivery of DTC Notes in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the DTC Notes are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered DTC Notes to the relevant agent's DTC account.

DTC may discontinue providing its services as depositary with respect to the DTC Notes at any time by giving reasonable notice to the Issuer or the relevant agent. Under such circumstances, in the event that a successor depositary is not obtained, DTC Note certificates are required to be printed and delivered. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depositary). In that event, DTC Note certificates will be printed and delivered to DTC.

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for their respective customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established

depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-entry Ownership of and Payments in respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositaries of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. Dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. Dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. Dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar or the Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Global Notes

Transfers of any interests in Notes represented by a Global Bearer Note or a Registered Global Note within Euroclear, Clearstream, Luxembourg and DTC will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a Direct Participant or Indirect Participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under 'Plan of Distribution' and 'Transfer Restrictions', cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian ('**Custodian**') with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Paying Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes.

Final Terms dated [ ]

Nederlandse Waterschapsbank N.V.
(*Incorporated under the laws of the Netherlands with limited liability and having its corporate seat in The Hague*)

Legal Entity Identifier: JLP5FSPH9WPSHY3NIM24

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
(the 'Notes') under the €75,000,000,000 Debt Issuance Program

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ('**EEA**'). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, '**MiFID II**'); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the '**Insurance Distribution Directive**'), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the '**PRIIPs Regulation**') for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ('**UK**'). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('**EUWA**'); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the '**FSMA**') and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (the '**UK Prospectus Regulation**'). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the '**UK PRIIPs Regulation**') for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a '**distributor**') should take into consideration the manufacturer['s/s'] 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 manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ('**COBS**'), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('**UK MiFIR**'); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any*

negative target market]. Any person subsequently offering, selling or recommending the Notes (a 'distributor') should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the '**UK MiFIR Product Governance Rules**') is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the '**Conditions**') set forth in the base prospectus dated 28 April 2023 [and the supplement[s] to it dated [ ]] [which [together] constitute[s] a base prospectus (the '**Base Prospectus**') for the purposes of Regulation (EU) 2017/1129, (as amended or superseded, the '**Prospectus Regulation**').] [This document constitutes the Final Terms of the Notes described herein prepared for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus and any supplement thereto in order to obtain all the relevant information.] Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and any supplement thereto have been published in accordance with the arrangement set out in Article 21 of the Prospectus Regulation on https://www.nwbbank.com/funding-programmes and is available for viewing at the registered office of the Issuer at Rooseveltplantsoen 3, 2517 KR The Hague, the Netherlands. In addition, copies may be obtained from Citibank N.A., London Branch, Citigroup Centre Canada Square, Canary Wharf, London E14 5LB, United Kingdom (the '**Principal Paying Agent**') [and, only with respect to Tranches of Notes which are solely offered and sold by the Issuer and/or the Dealers in bearer form outside the United States to non-U.S. persons in reliance on Regulation S, from Banque Internationale à Luxembourg, 69, route d'Esch, 2953 Luxembourg, Grand Duchy of Luxembourg (the '**Non-U.S. Paying Agent**')].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date. NB: when using a post – 1 July 2012 approved base prospectus to tap a previous issue under a pre – 1 July 2012 approved base prospectus, the final terms in the post – 1 July 2012 base prospectus will take a different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared. Include correct references to each condition mentioned explicitly by number in the Final Terms to the extent that these number references in the terms and conditions under which the initial tranche was issued differ from number references used in the Conditions set out in full in the Base Prospectus dated 28 April 2023.*]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the '**Conditions**') set forth in the base prospectus dated [*original date*] [and the supplement[s] to it dated [ ]] which are incorporated by reference in the Base Prospectus dated 28 April 2023. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of Regulation (EU) 2017/1129, (as amended or superseded, the '**Prospectus Regulation**') and must be read in conjunction with the Base Prospectus dated 28 April 2023 [and the supplement[s] to it dated [ ]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the '**Base Prospectus**'), save in respect of the Conditions which are extracted from the base prospectus dated [*original date*] [and the supplement[s] to it dated [ ]] in order to obtain all the relevant information. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms [and][,] the Base Prospectus [and the supplement[s] dated [ ]]. The Base Prospectus has been published on https://www.nwbbank.com/funding-programmes and is available for viewing at the registered office of the Issuer at Rooseveltplantsoen 3, 2517 KR The Hague, the Netherlands. In addition, copies may be obtained from Citibank N.A., London Branch, Citigroup Centre Canada Square, Canary Wharf, London E14 5LB, United Kingdom (the '**Principal Paying Agent**') [and, only with respect to Tranches of Notes which are solely offered and sold by the Issuer and/or the Dealers in bearer form outside the United States to non-U.S. persons in reliance on Regulation S, from Banque Internationale à Luxembourg, 69, route d'Esch, 2953 Luxembourg, Grand Duchy of Luxembourg (the '**Non-U.S. Paying Agent**')].

[*Include whichever of the following apply or specify as 'Not Applicable' (N/A). Note that the numbering should remain as set out below, even if 'Not Applicable' is specified for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.*]

[*When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute 'significant new factors' and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation*.]

[When adding any other final terms or information, consideration should be given as to whether such terms or information constitute category 'B' information as indicated in Annex XX of the Prospectus Regulation and consequently trigger the need for an individual drawdown prospectus.]

1.	Issuer:	Nederlandse Waterschapsbank N.V.
2.	[(i)] Series Number:	[ ]
	[(ii) Tranche Number:	[ ]
	[(iii) Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of the Series*] on [*insert date*/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 28 below [which is expected to occur on or after [*insert date*]]].]
3.	Specified Currency or Currencies:	[ ]
4.	Aggregate Nominal Amount:	[ ]
	[(i)] Series:	[ ]
	[(ii) Tranche:	[ ]]
5.	Issue Price:	[ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6.	(i) Specified Denominations:	[ ] *(Notes may not be issued in denominations less than €100,000 or the equivalent thereof in another currency)* *(Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies))* (*In the case of JPY consider [The Aggregate Nominal Amount of this Series of Notes shall not exceed the product of the Specified Denomination and forty-nine (49) with the issue of any additional*

		tranches(s) of notes that become fungible to this Series of Notes])
		If the Specified Denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording below:
		('*€100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].*')
	(ii) Calculation Amount:	[ ] (*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the lowest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.*)
7.	(i) Issue Date:	[ ] (*In the case of FX Linked Notes, Inflation Linked Notes and CMS Linked Notes include date of resolutions/authorizations/approval for issuance of Notes obtained*)
	(ii) Interest Commencement Date:	[*Specify*/Issue Date/Not Applicable]
8.	Maturity Date:	(S*pecify date (for Fixed Rate Notes) or (for Floating Rate Notes /FX Linked Notes/CMS Linked Notes/Inflation Linked Notes) Interest Payment Date falling in or nearest to the relevant month and year*)
9.	Interest Basis:	[[ ] per cent. Fixed Rate]
		[[[ ] month [EURIBOR/Compounded Daily SOFR/SOFR Average/Compounded Daily SONIA/Compounded Daily €STR]+/- [ ] per cent Floating Rate]
		[Floating Rate]
		[Zero Coupon]
		[FX Linked Interest]
		[CMS Linked]
		[Inflation Linked]
		(See paragraph [14/15/16/17/18/19] below)
10.	Redemption/Payment Basis:	[Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [[ ]/[100]] per cent. of their nominal amount]
		[FX Linked Redemption]
		[Dual Currency]

		[Partly Paid] [Installment] (further particulars specified below) [Only for Notes with a Specified Currency where the country or area of which such Specified Currency is the country's or area's lawful currency, has or is expected to have a credit rating lower than the credit rating of the Notes: the provisions of Condition 6.9 [do not] apply. [If Condition 6.9 applies: The Issuer may settle payments due in a Specified Currency (in whole or in part) in another currency on the due date in the circumstances described in Condition 6.9]
11.	Change of Interest Basis:	[Applicable][Not Applicable] The Interest Basis shall change from [Fixed Rate] [Floating Rate][Zero Coupon][FX Linked Interest][Inflation Linked][CMS Linked][Non-interest bearing] to [Fixed Rate][Floating Rate][Zero Coupon][FX Linked Interest][Inflation Linked] [CMS Linked][Non-interest bearing] (*Specify the date when any change of interest basis occurs or refer to paragraphs 14,15,16,17,18 and 19 below and identify there*) Consider the following language: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [*date*] paragraph [14/15/16/17/18/19/Non-interest bearing] applies and for the period from (and including) [*date*], up to (and including) the Maturity Date, paragraph [14/15/16/17/18/19/Non-interest bearing] applies]
12.	Put/Call Options:	[Investor Put Option][Issuer Call Option][Not Applicable] (See paragraph [21/22] below)
13.	Status of the Notes:	Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Note Provisions:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Fixed Rate[(s)] of Interest:	[ ] per cent. per annum [payable [annually][semi-annually][quarterly] in arrear on each Interest Payment Date]
	(ii) Specified Interest Period(s):	[ ]

	(iii) Specified Interest Payment Date(s):	[ ] in each year (*NB: This will need to be amended in the case of long or short coupons*)
	(iv) Business Day Convention:	
	- Business Day Convention:	[Fixed Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
	- Adjusted or Unadjusted for Interest Period calculation:	[Adjusted/Unadjusted]
	(v) Fixed Coupon Amount[(s)]:	[ ] per Calculation Amount
	(vi) Broken Amount(s):	[ ] per Calculation Amount, payable on the Interest Payment Date falling [in][on] [ ]][Not Applicable]
	(vii) Day Count Fraction:	[30/360 or Actual/Actual (ICMA)][Actual/365 (fixed)][Actual/365(Sterling)]
	(viii) Interest Determination Date(s):	[ ] in each year *(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)* *(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)* *(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
15.	Floating Rate Note Provisions:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Specified Interest Period(s):	[ ]
	(ii) Specified Interest Payment Date(s):	[ ] in each year
	(iii) Business Day Convention:	
	- Business Day Convention:	[Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
	- Adjusted or Unadjusted for Interest Period calculation:	[Adjusted/Unadjusted]]
	(iv) Business Centre(s):	[ ]
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination][ISDA Determination]

(vi) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent):	[ ]
(vii) Screen Rate Determination:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- Reference Rate:	[EURIBOR][Compounded Daily SOFR][SOFR Average][Compounded Daily SONIA][Compounded Daily €STR] (*subject to the fallback provisions set out in Condition 5.2*)
- Interest Determination Date(s):	[ ]/[[ ] U.S. Government Securities Business Days]/[[ ] London Banking Days] prior to the end of each Interest Period
- 'p'	(*In the case of Compounded Daily SOFR or SOFR Average: 'p' U.S. Government Securities Business Days, where 'p' shall not be less than five without prior written consent of the Calculation Agent.*) *(Second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or €STR)* (*Specify the number of London Banking Days prior to the end of each Interest Period if SONIA*)
- Relevant Screen Page:	[ ] (*subject to the fallback provisions set out in Condition 5.2.*) (*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate*)

Insert only if Reference Rate is Compounded Daily SONIA or Compounded Daily €STR

- Observation Look-back Period:	[ ] [London Banking Days]/[TARGET Settlement Days]/[U.S. Government Securities Business Days] *(being no less than 5 London Banking Days, TARGET Settlement Days or U.S. Government Securities Business Days)*
- Benchmark Discontinuation:	[Condition 5.2(f) (*Replacement Reference Rate*) is applicable]/[Condition 5.2(g) (*Benchmark Discontinuation* (*ARRC* Fallbacks) is applicable.) *If the Reference Date for the Floating Rate Notes is 'Compounded Daily SOFR' or 'SOFR Average' for U.S. Dollars, Condition 5.2(g) (Benchmark Discontinuation (ARRC Fallbacks)) should be specified as applicable*

(viii) ISDA Determination:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph)* [(*If applicable, and* '*2021 ISDA Definitions*' *is selected below, note that* '*Administrator/Benchmark Event*', '*Generic Fallbacks*' *and* '*Calculation Agent Alternative Rate Determination*' *are not workable in a notes context. Amendments will therefore need to be made to the Conditions which will require a PR drawdown prospectus of the issue.*)]
- Floating Rate Option:	[ ] *(If "2021 ISDA Definitions" is selected, ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions))*
- Designated Maturity:	[ ]
- Reset Date	[ ]
- ISDA Definitions	[2006 ISDA Definitions][2021 ISDA Definitions]
(viii) Linear Interpolation:	[Not Applicable] [Applicable - the Rate of Interest for the [long][short] [first][last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
(ix) Margin:	[+/-] [ ] per cent. per annum
(x) Minimum Rate of Interest:	[ ] per cent. per annum (*NB: If terms and conditions applicable to the notes are the terms and conditions set out fully in a Base Prospectus dated prior to 28 May 2013, the minimum rate of interest must be specified in the Final Terms (this specification can also include* '*0 per cent. per annum*'*)).*
(xi) Maximum Rate of Interest:	[ ] per cent. per annum
(xii) Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360/Bond Basis] [(30/360)/(360/360)] [30E/360/Eurobond Basis]

		[30E/360 (ISDA)]
16.	Zero Coupon Note Provisions:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Accrual Yield:	[ ] per cent. per annum
	(ii) Reference Price:	[ ]
	(iii) Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Conditions 7.5 and 7.12 apply] [Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360/Bond Basis] [(30/360)/(360/360)] [30E/360/Eurobond Basis] [30E/360 (ISDA)] (*Consider applicable day count fraction if not U.S. Dollar denominated)*
17.	FX Linked Interest Note Provisions:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Specified Interest Period(s):	[ ]
	(ii) Specified Interest Payment Dates:	[ ]
	(iii) Interest Determination Date(s):	[ ]
	(iv) Business Day Convention:	
	- Business Day Convention:	[Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
	- Adjusted or Unadjusted for Interest Period calculation:	[Adjusted][Unadjusted]
	(v) Business Centre(s):	[ ]
	(vi) Multiplier1:	[ ]
	(vii) Base Currency:	[ ]
	(viii) Specified Currency:	[ ]

	(ix) Relevant FX Screen Page:	[ ] (*subject to the fallback provisions set out in Condition 5.2.*)
	(x) Relevant Time:	[ ]
	(xi) Margin1:	[ ]
	(xii) FX Level1:	[ ]
	(xiii) Minimum Rate of Interest:	[ ] per cent. per annum
	(xiv) Maximum Rate of Interest:	[ ] per cent. per annum
	(xv) Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360/Bond Basis] [(30/360)/(360/360)] [30E/360/Eurobond Basis] [30E/360 (ISDA)]
18.	Inflation Linked Note Provisions:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Inflation Index:	[CPI Monthly Reference Index/HICP Index] (*subject to the fallback provisions set out in Condition 5.2.*)
	(ii) Index Sponsor:	[ ]
	(iii) Specified Interest Payment Dates:	[ ]
	(iv) Specified Interest Period(s):	[ ]
	(v) Interest Determination Date(s):	[ ]
	(vi) Business Day Convention:	
	- Business Day Convention:	[Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
	- Adjusted or Unadjusted for Interest Period calculation:	[Adjusted][Unadjusted]
	(vii) Business Centre(s):	[ ]
	(viii) Margin3:	[ ]

	(ix) Revisions permitted:	[Revision][No Revision]
	(x) Minimum Rate of Interest:	[ ] per cent. per annum
	(xi) Maximum Rate of Interest:	[ ] per cent. per annum
	(xii) Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360/Bond Basis] [(30/360)/(360/360)] [30E/360/Eurobond Basis] [30E/360 (ISDA)]
19.	CMS Linked Note Provisions:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Specified Interest Payment Dates:	[ ]
	(ii) Specified Interest Period(s):	[ ]
	(iii) Interest Determination Date(s):	[ ]
	(iv) Business Day Convention:	
	- Business Day Convention:	[Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
	- Adjusted or Unadjusted for Interest Period calculation:	[Adjusted][Unadjusted]
	(v) Business Centre(s):	[ ]
	(vi) Multiplier2:	[ ]
	(vii) Multiplier3:	[ ]
	(viii) Multiplier4:	[ ]
	(ix) CMS Rate1:	[ ] (*subject to the fallback provisions set out in Condition 5.2.*)
	- Designated Maturity1:	[ ]
	- Designated Reference:	[Swiss Franc][Sterling][Japanese Yen][U.S. Dollar][Not Applicable]

	(x) CMS Rate2:	[ ] (*subject to the fallback provisions set out in Condition 5.2.*)
	- Designated Maturity2:	[ ]
	- Designated Reference:	[Swiss Franc][Sterling][Japanese Yen][U.S. Dollar][Not Applicable]
	(xi) Margin2:	[ ]
	(xii) Minimum Rate of Interest:	[ ] per cent. per annum
	(xiii) Maximum Rate of Interest:	[ ] per cent. per annum
	(ix) Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360/Bond Basis] [(30/360)/(360/360)] [30E/360/Eurobond Basis] [30E/360 (ISDA)]
20.	Dual Currency Note Provisions:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Principal payable in other currency than Specified Currency:	[Applicable][Not Applicable] (*if applicable, include currencies in which principal is payable*)
	(ii) Interest payable in other currency than Specified Currency:	[Applicable][Not Applicable] (*if applicable, include currencies in which interest is payable*)
	(iii) Rate of Exchange:	(*Provide exchange rate*)

PROVISIONS RELATING TO REDEMPTION

21.	Issuer Call Option:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[ ]
	(ii) Optional Redemption Amount(s) of each Note:	[ ] per Calculation Amount

	(iii) If redeemable in part:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	- Minimum Redemption Amount:	[ ] per Calculation Amount
	- Maximum Redemption Amount:	[ ] per Calculation Amount
	(iv) Notice Period:	[ ] days
22.	Investor Put Option:	[Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[ ]
	(ii) Optional Redemption Amount(s) of each Note:	[ ] per Calculation Amount
	(iii) Notice Period:	[ ] days[9]
23.	Early Redemption:	[Applicable][Not Applicable]
	(i) Early Redemption Amount(s) payable on redemption:	[[ ] /[paid up] nominal amount] of the Note on the date of redemption [adjusted for Early Redemption Unwind Costs] [together with accrued interest][Final Redemption Amount] [Amortized Face Amount as specified in Condition 7.5]
	(ii) Redemption for Tax Reasons (Condition 7.2) permitted at any time:	[Applicable][Not Applicable] (*'Applicable' only in the case of Notes other than Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes*)
	(iii) Redemption for Tax Reasons (Condition 7.2) permitted on Interest Payment Dates only:	[Applicable][Not Applicable] (*'Applicable' only in the case of Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes*)
	(iv) Unmatured Coupons to become void upon early redemption:	[Applicable][Not Applicable]
	(v) Early Redemption Unwind Costs:	[Applicable][Not Applicable] (*if applicable, specify amount/Standard Early Redemption Unwind Costs*)
24.	Whether Condition 8(a) of the Notes applies (in which case Condition 7.2 (Redemption for Tax Reasons) of the Notes will not apply) or whether Condition 8(b) of the Notes applies (in which case Condition 7.2 (Redemption for Tax Reasons) may be specified as being Applicable):	[Condition 8(a) applies and Condition 7.2 does not apply] [Condition 8(b) applies] [and] [Condition 7.2 applies.]

[9] Minimum of 15 business days.

25.	Final Redemption Amount of each Note:	[[ ] per Calculation Amount] (*In connection with FX Linked Redemption Notes only* [the Final FX Linked Redemption Amount as calculated in accordance with Condition 7.8.])
26.	FX Linked Redemption Note Provisions:	[Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Relevant FX Screen Page:	[ ]
	(ii) Relevant Time:	[ ]
	(iii) Final Redemption Determination Date:	[ ]
	(iv) Base Currency:	[ ]
	(v) FX Level2:	[ ]
	(vi) Specified Payment Date:	[ ]
27.	Automatic Early Redemption Provisions:	[Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Automatic Early Redemption Amount:	[ ] [per Calculation Amount]
	(ii) Automatic Early Redemption Event:	When the Automatic Early Redemption Observation Level is [‘greater than’/ ‘greater than or equal to’/ ‘less than’/ ‘less than or equal to’] the Automatic Early Redemption Trigger Level.
	(iii) Automatic Early Redemption Observation Level:	[Specify relevant exchange rate/ Specify relevant FX Screen Page, Base Currency and Relevant Time] [Aggregate Interest Amount]
	(iv) Automatic Early Redemption Observation Period:	[ ]
	(v) Automatic Early Redemption Trigger Level:	[Specify relevant exchange rate/ Specify relevant FX Screen Page, Base Currency and Relevant Time] [Specify Target Redemption Amount]
	(vi) Interest Determination Date(s):	[ ]
	(vii) Notice Period:	[ ]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

28.	Form of Notes:	[Bearer Notes] [Temporary Bearer Global Note exchangeable from 40 days after the Issue Date[, upon certification as to non-U.S. beneficial ownership if Bearer Notes issued pursuant to the TEFRA D Rules], for interests in a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes [upon not less than 30 days' notice given by the holder at any time or only upon the occurrence of an Exchange Event]] [Temporary Bearer Global Note exchangeable from 40 days after the Issue Date[, upon certification as to non-U.S. beneficial ownership if Bearer Notes issued pursuant to the TEFRA D Rules,] for Definitive Bearer Notes] [Permanent Bearer Global Note exchangeable for Definitive Bearer Notes upon not less than 30 days' notice given by the holder [at any time/only upon the occurrence of an Exchange Event]][10] *(Ensure that this is consistent with the wording in the 'Form of the Notes' section in the Base Prospectus and the Notes themselves. NB: The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes includes language substantially to the following effect: '[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].' Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for Definitive Bearer Notes.)* [Registered Notes] [Regulation S Global Note (U.S. $[ ] principal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg/ a common safekeeper for Euroclear and Clearstream, Luxembourg.]] [Rule 144A Global Note (U.S. $[ ] principal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg /a common safekeeper for Euroclear and Clearstream, Luxembourg.]]
29.	New Global Note:	[Yes][No]

[10] May not be used where TEFRA D Rules apply.

30.	New Safekeeping Structure:	[Applicable; but only as to Regulation S Global Note][Not Applicable]
31.	Form of Definitive Bearer Notes:	[Standard Euromarket][Not Applicable]
32.	Financial Centre(s) or other special provisions relating to Payment Dates:	[Applicable [*specify relevant Financial Centre(s)*][Not Applicable] (*Note that this item relates to the place of payment, and not Interest Period end dates*)
33.	Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature):	[Applicable][Not Applicable] (Applicable as the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made)
34.	Details relating to Partly Paid Notes:	[Applicable][Not Applicable] *(NB: A new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*) *(NB: If terms and conditions applicable to the notes are the Terms and Conditions set out in a Base Prospectus dated prior to 28 May 2013, Partly Paid Notes cannot be issued) (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Part Payment Amount(s):	[ ]
	(ii) Part Payment Date(s):	[ ]
35.	Details relating to Installment Notes:	[Applicable][Not Applicable]
	(i) Installment Amounts:	[Not Applicable][*give amounts*]
	(ii) Installment Dates:	[Not Applicable][*give dates*]
36.	Redenomination:	[Applicable][Not Applicable] *(NB: Redenomination cannot be applicable to Dual Currency Notes, FX Linked Notes, Inflation Linked Notes or CMS Linked Notes or if terms and conditions applicable to the Notes are the terms and conditions set out fully in a Base Prospectus dated prior to 28 May 2013.)*
	(i) Day Count Fraction applicable to Redenomination calculation:	[Actual/Actual (ICMA)] [Actual/365] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360]

	[360/360] [30/360] [30E/360] [30E/360 (ISDA)] [Actual/Actual (ISDA)] [Actual/Actual]
(ii) Reference Rate of the Note may be redenominated to:	[EURIBOR][SOFR][SONIA][€STR][*specify other reference rate*] (*subject to the fallback provisions set out in Condition 5.2*)

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and][admission to [listing and]trading on [Euronext Amsterdam][the Luxembourg Stock Exchange][Euronext Paris][Eurex Deutschland][*specify other stock exchange or market*] of the Notes described herein]pursuant to the €75,000,000,000 Debt Issuance Program of Nederlandse Waterschapsbank N.V.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[Relevant third party information, for example information with respect to ratings or historic reference rates] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

By: …….

Duly authorised

PART B - OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i) Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Amsterdam][the Luxembourg Stock Exchange regulated market][Euronext Paris][Eurex Deutschland][*specify other stock exchange or market*] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Amsterdam][the Luxembourg Stock Exchange regulated market][Euronext Paris][Eurex Deutschland][*specify other stock exchange or market*] with effect from [ ].] [Not Applicable.] Fungible instruments of the same Series admitted to trading on: [Euronext Amsterdam][the Luxembourg Stock Exchange regulated market][Euronext Paris][Eurex Deutschland][*specify other stock exchange or market*]
(ii) Estimate of total expenses related to admission to trading:	[ ]
(iii) Green Exchange:	[Application has been made for display to the Luxembourg Green Exchange] [Not Applicable]

2. RATINGS

Ratings:	[The Program has been rated: AAA (*in respect of Notes with a maturity of more than one year*) A-1+ (*in respect of Notes with a maturity of one year or less*) by S&P and has been rated P-1 (*in respect of short-term Notes*)] Aaa (*in respect of senior unsecured medium-term Notes*) by Moody's] [The Notes to be issued have not been rated.] [[The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Program generally]]: [S&P: [ ]] [Moody's: [ ]] [[Other]: [*Insert the full legal name of credit rating agency*]] [*include below as appropriate*]

[*Insert the full legal name of credit rating agency*] is established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended). As such, [*insert the full legal name of credit rating agency*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

[*Insert the full legal name of credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[*Insert the full legal name of non-EU credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended). The ratings [[have been]/[are expected to be]] endorsed by [*insert the full legal name of EU-registered credit rating agency*] in accordance with the CRA Regulation.]]

[[*Insert the full legal name of credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended), but it [is]/[has applied to be] certified in accordance with the CRA Regulation [[and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation]/[although notification of the corresponding certification decision has not yet been provided by the relevant competent authority and [*insert the full legal name of credit rating agency*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]]

[[*Insert the full legal name of non-EU credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended). However, the application for registration under the CRA Regulation of [*insert the full legal name of EU credit rating agency that applied for registration*], which is established in the European Union, disclosed the intention to endorse credit ratings of [*insert the full legal name of non-EU credit rating agency*][, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority and [*insert the full legal name of EU credit rating agency*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

[Need to include a brief explanation of the meaning of the ratings if this deviates from the explanations given in the section 'Overview' and has previously been published by the rating provider.]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.*)

A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

(*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:*)

[Save for any fees payable to the [Manager[s]/Dealer[s]], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Manager[s]/Dealer[s]] and [their/its] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. (*Amend as appropriate if there are other interests*)]

4. REASONS FOR THE OFFER, NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer/Use of Proceeds:	[See '*Use of Proceeds*' wording in Base Prospectus] (*If reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)* [The proceeds of the Notes will be utilized for lending to Social Housing Organizations in the Netherlands according to the Issuer's SDG Housing Bond Framework/[ ]] *(In case of an issuance of SDG Housing Bonds)*] [The proceeds of the Notes will be exclusively used to fund the Issuer's lending to the Dutch water authorities according to the Issuer's Green Bond Framework/[ ]]*(In case of an issuance of Green Bonds)*]
(ii) Estimated net proceeds:	[ ] (If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds are insufficient to fund all proposed uses state amount and sources of other funding.)
(iii) Estimated total expenses:	[ ] [*Include breakdown of expenses*] *(NB: Delete unless the Notes are FX Linked Notes, Inflation Linked Notes, CMS Linked Notes or notes to which an Automatic Early Redemption provision applies where the trigger level is an exchange rate. In that case (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), the disclosure of net proceeds and total expense and breakdown of expenses and tax charged to Noteholders is also required in (ii) and (iii).*

5. [*Fixed Rate Notes only* - YIELD

Indication of yield:	[ ] [Not Applicable] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. OPERATIONAL INFORMATION

ISIN:	[ ]
CUSIP:	[[ ]/[Not Applicable]]
CINS:	[[ ]/[Not Applicable]]
Common Code:	[ ]
Any other relevant code:	[ ]

CFI:	[[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
FISN:	[[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
Any clearing system(s) other than DTC, Euroclear Bank SA/NV/ and Clearstream Banking, S.A. and the relevant Identification numbers:	[Not Applicable][Applicable] (*if applicable, give name(s), addresses and relevant identification number(s)*)
Delivery:	Delivery [against/free of] payment
Paying Agent(s):	[Principal Paying Agent][Non-U.S. Paying Agent] *(Only the option Non-U.S. Paying Agent will apply if the Tranche of Notes is in bearer form).*
Name, address and contact details of Calculation Agent:	[Principal Paying Agent][Non-U.S. Paying Agent][Issuer][[*name Calculation Agent*] (*if not the Principal Paying Agent, Issuer or the Non-U.S. Paying Agent include the name, address and contact details*)]
[Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation 'yes' simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] [*include this text for registered notes*] and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

	[No. Whilst the designation is specified as 'no' at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper) [include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intra- day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]
For the purpose of Condition 14, notices to be published in the Financial Times:	[Yes][No]

7. DISTRIBUTION

(i) Method of distribution:	[Syndicated/Non-syndicated]
(ii) If syndicated:	[Not Applicable][Applicable] (*If applicable give names, addresses and underwriting commitments*) (*Where not all of the issue is underwritten, a statement of the portion not covered.*)
(A) Names and addresses of Managers and underwriting commitments/quotas:	[Not Applicable/*give names, addresses and underwriting commitments*] (*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a 'best efforts' basis if such entities are not the same as the Managers.*)
(B) Date of [Subscription/Syndication] Agreement:	[ ]
(C) Stabilizing Manager(s) (if any):	[Not Applicable][Applicable] (*if applicable, give name and a description of the main terms of Stabilization Agreement with respect to stabilization of FX Linked Notes, Inflation Linked Notes, CMS Linked Notes or notes to which Automatic Early Redemption provisions are applicable and where the trigger level is an exchange rate*)[11]
(iii) If non-syndicated, name and address of [Manager/Dealer]:	[Not Applicable/*give name and address*]
(iv) Eligibility:	[Rule 144A only][Reg. S only][Rule 144A and Reg. S]

[11] Any stabilization activity in connection with the Notes listed or to be listed on Euronext in Amsterdam will be conducted (on behalf of the Stabilizing Manager) by a member of Euronext in Amsterdam.

(v) U.S. Selling Restrictions:	[Reg. S Compliance Category 2][TEFRA D][TEFRA C][TEFRA not applicable[12]]
(vi) Offer Period:	*(only applicable to FX Linked Notes, Inflation Linked Notes, CMS Linked Notes and notes to which an Automatic Early Redemption provision applies where the trigger level is an exchange rate)* [The Aggregate Nominal Amount of the Notes to be issued and allotted will be announced by the Issuer at [ ] hours ([ ] time) on [ ] or such earlier or later date or time as the Issuer may determine and will be announced in [ ].] [The Issuer reserves the right to withdraw the offer of the Notes until [ ] at the latest. Such withdrawal will be announced in the aforementioned publication(s)] [The Issuer reserves the right to increase or reduce the aggregate principal amount of the Notes to be issued. Such increase or reduction will be announced in the aforementioned publication(s)] [[No]/[D/d]ealing in the Notes will be possible before the aggregate principal amount of the Notes is announced as set out above.] [Not Applicable]
(vii) Reduction of subscriptions:	*(only applicable to FX Linked Notes, Inflation Linked Notes, CMS Linked Notes and notes to which an Automatic Early Redemption provision applies where the trigger level is an exchange rate)* [[Not Applicable, the terms of the offer do not provide for any reductions of subscriptions] [Give details]]
(viii) Maximum and minimum subscription amount:	*(only applicable to FX Linked Notes, Inflation Linked Notes, CMS Linked Notes and notes to which an Automatic Early Redemption provision applies where the trigger level is an exchange rate)* [[ ] and [ ]]. (*Give details in aggregate investment amount or number of securities*) [Not Applicable]
(ix) Names of Financial Intermediaries:	[Not Applicable][Applicable] (*if applicable, give name and address*)

8. [*Floating Rate Notes and CMS Linked Notes only* - HISTORIC INTEREST RATES

[12] 'TEFRA not applicable' may only be used for Registered Notes or for Bearer Notes with a term of one year or less (including unilateral rights to roll over or extend).

[Not Applicable]

Details of historic and future [EURIBOR][CMS][SOFR][SONIA][€STR] rates can be obtained from [*indicate the relevant Reuters ISDAFIX1 page*]

(*Need to include details of where past and future performance and volatility of the relevant rates can be obtained if not clear from the relevant Reuters ISDAFIX1 page*)

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information]]

9. [*Inflation Linked Notes only* - Performance of index, explanation of effect on value of investment and associated risks and other information concerning the underlying

[Not Applicable]

[Details of the past and future performance and volatility of the Inflation Index can be obtained from [http://www.insee.fr/en/themes/theme.asp?theme=17&sous_theme=1&nivgeo=0&type=2]/

[https://ec.europa.eu/eurostat/web/main/data/database]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information]]

10. [*Dual Currency Notes, FX Linked Notes and notes to which Automatic Early Redemption provisions applies where the trigger level is an exchange rate only* - Performance of rate[s] of exchange and explanation of effect on value of investment

[Not Applicable]

[*Need to include details of where past and future performance and volatility of the relevant rates can be obtained.*]

(*In case of Fixed Rate Notes, delete paragraphs 8. 9. and 10. above*)

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information].

11. TERMS AND CONDITIONS OF THE OFFER

(only applicable to FX Linked Notes, Inflation Linked Notes, CMS Linked Notes and notes to which an Automatic Early Redemption provision applies where the trigger level is an exchange rate)

[Conditions to which the offer is subject:]	[Not Applicable][Applicable (*Give details)*]
[Description of the application process:]	[Not Applicable][Applicable (*Give details)*]
[Details of the method and time limits for paying up and delivering the Notes:]	[Not Applicable][Applicable (*Give details)*]
[Categories of potential investors to which the Notes are offered and whether Tranche(s) have been reserved for certain countries:]	[Not Applicable][Applicable (*Give details)*]
[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:]	[None][Applicable (*Give details)*]

Statement on benchmark[s]:	[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date of these Final Terms, [[*administrator legal name*][appears]/[does not appear] [*repeat as necessary*] on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. [As far as the Issuer is aware, [*administrator legal name*], as administrator of [*specify benchmark*][*repeat as necessary*] [is / are] not required to be registered by virtue of Article 2 of that regulation] OR [the transitional provisions in Article 51 of the Benchmark Regulation apply], such that [*legal name of administrator(s)*] [is/are] not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]/[Not Applicable]

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of Notes to be issued by the Issuer which will be incorporated by reference into each Global Note and which will be endorsed on (or, if permitted by the relevant stock exchange or other relevant authority and agreed between the Issuer and the relevant Dealer, incorporated by reference into) each Definitive Bearer Note in the standard euromarket form and each Individual Note Certificate. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each Global Note and definitive Note in the standard euromarket form and each Individual Note Certificate. All capitalized terms that are not defined in these Terms and Conditions will have the meaning given to them in the applicable Final Terms. Reference should be made to 'Form of the Notes' above for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions.

This Note is one of a series of Notes issued by Nederlandse Waterschapsbank N.V. (the '**Issuer**') pursuant to an Agency Agreement (as defined below). References herein to the '**Notes**' shall be references to the Notes of this Series (as defined below) and shall mean:

1. in relation to any Notes represented by a Global Note, units of the lowest Specified Denomination in the Specified Currency;

2. definitive Notes in bearer form issued in exchange (or part exchange) for a Global Note in bearer form;

3. definitive Notes in registered form (whether or not issued in exchange for a Global Note in registered form); and

4. any Global Note.

Unless the Non-U.S. Agency Agreement (as defined below) is specified in the applicable Final Terms as 'applicable', the Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement dated 28 April 2023 (as further amended and/or supplemented and/or restated from time to time, the '**Principal Agency Agreement**') made between the Issuer and Citibank N.A., London Branch as issuing and principal paying agent and agent bank (the '**Principal Paying Agent**', which expression shall include any successor agent) and the other paying agents named therein (together with the Principal Paying Agent, the '**Paying Agents**', which expression shall include any additional or successor paying agents), Citibank N.A., London Branch as exchange agent (the '**Exchange Agent**', which expression shall include any successor exchange agent and Citibank, N.A. as registrar (the '**Registrar**', which expression shall include any successor registrar) and transfer agent and the other transfer agents named therein (together with the Registrar, the '**Transfer Agents**', which expression shall include any additional or successor transfer agents).

Any Tranche of Notes and the Receipts (as defined below) and Coupons (as defined below) offered and sold by the Issuer and/or the Dealers in bearer form outside the United States to non-U.S. persons in reliance on Regulation S, and if so specified in the applicable Final Terms, have the benefit of an amended and restated agency agreement dated 28 April 2023 entered into between the Issuer and Banque Internationale à Luxembourg (as further amended and/or supplemented and/or restated from time to time, the '**Non-U.S. Agency Agreement**'). If the Non-U.S. Paying Agent is specified in the Final Terms in connection with an issue of a Tranche of Notes in bearer form that is offered and sold by the Issuer and/or Dealers outside the United States to non-U.S. persons in reliance on Regulation S, all references in the Terms and Conditions of the Notes and the Base Prospectus to the Principal Paying Agent shall, so far as the context permits, be construed as references to the Non-U.S. Paying Agent.

In these Terms and Conditions the term '**Agency Agreement**' shall, in so far as the context permits, refer to any Principal Agency Agreement or Non-U.S. Agency Agreement.

Interest bearing Bearer Notes in definitive form ('**Definitive Bearer Notes**') in the standard euromarket form (unless otherwise specified in the applicable Final Terms) have interest coupons ('**Coupons**') and, if specified in the applicable Final Terms, talons for further Coupons ('**Talons**') attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes in the standard euromarket form repayable in installments have receipts ('**Receipts**') for the payment of the installments of principal (other than the final installment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

Any reference herein to '**Noteholders**' or '**holders**' in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered, and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to '**Receiptholders**' shall mean the holders of the Receipts and any reference herein to '**Couponholders**' shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons.

The Final Terms for this Note are endorsed hereon or attached hereto or applicable hereto or incorporated by reference herein. References herein to the 'applicable Final Terms' are to the Final Terms for this Note.

As used herein, '**Tranche**' means Notes which are identical in all respects (including as to listing) and '**Series**' means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects (including as to listing) from the date on which such consolidation is expressed to take effect.

Copies of each Agency Agreement and the applicable Final Terms are available for inspection at the specified offices of each of the Principal Paying Agent and the other Paying Agents, the Exchange Agent and the Registrar and the other Transfer Agents (such agents and the Registrar being referred to together as the '**Agents**') save that Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them. The statements in the Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions used in the applicable Final Terms shall have the same meanings where used in the Terms and Conditions.

General Definitions

In these Terms and Conditions the following expressions shall have the following meanings.

Adjustment Spread	has the meaning specified in Condition 5.2(f).
Aggregate Interest Amount	means the amount specified as such in the applicable Final Terms as calculated in accordance with Condition 7.9.
Alternative Currency	has the meaning specified in Condition 6.9.
Amortized Face Amount	has the meaning specified in Condition 7.5(b).
Applicable Maturity	has the meaning specified in Condition 5.2(j).
ARRC	means New York's Alternative Reference Rates Committee.
Automatic Early Redemption Amount	has the meaning specified in Condition 7.9.
Automatic Early Redemption Event	has the meaning specified in Condition 7.9.
Automatic Early Redemption Observation Level	has the meaning specified in Condition 7.9.
Automatic Early Redemption Observation Period	has the meaning specified in Condition 7.9.
Automatic Early Redemption Trigger Level	has the meaning specified in Condition 7.9.
Base Level	has the meaning specified in Condition 5.2(e).
Bearer Global Note	a Permanent Bearer Global Note or a Temporary Bearer Global Note.

Bearer Notes	Notes issued in bearer form.
Benchmark Event	has the meaning specified in Condition 5.2(f).
Broken Amount	the amount specified as such in the applicable Final Terms.
Business Day	(other than in respect of Notes for which the Reference Rate is specified as Compounded Daily SOFR or SOFR Average) a day which is both: (a) a day on which (1) the TARGET System is open and (2) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Business Centre specified in the applicable Final Terms; and (b) in relation to any sum payable in a Specified Currency other than Euro, 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 the principal financial centre of the country of the relevant Specified Currency (if other than any Business Centre specified in the applicable Final Terms).
Business Centre	means the city or cities specified as such in the applicable Final Terms.
Business Day Convention	the Fixed Rate Convention, Floating Rate Convention, Following Business Day Convention, Modified Following Business Day Convention or the Preceding Business Day Convention as specified in the applicable Final Terms.
Calculation Agent	the Principal Paying Agent, Non-U.S. Paying Agent or the Issuer as specified in the applicable Final Terms, or, if different, the entity as specified in the applicable Final Terms. All determinations and calculations made by the Calculation Agent shall be made by it in its sole discretion and in good faith, acting reasonably and on an arms-length basis. All such determinations and calculations so made shall be final and binding (save in the case of manifest error) on all parties. The Calculation Agent shall have no liability or responsibility to any person in relation to the determinations or calculations provided in connection herewith, except in the case of wilful default or bad faith.
Calculation Amount	if there (i) is only one Specified Denomination, the Specified Denomination of the relevant Notes, or (ii) are several Specified Denominations, the highest common factor of those Specified Denominations as specified in the applicable Final Terms.
Clearstream, Luxembourg	Clearstream Banking, S.A.
CMS Linked Note	any note to which the CMS Linked Interest Basis applies as specified in the applicable Final Terms.
CMS Linked Rate of Interest	has the meaning specified in Condition 5.2(d).
CMS Rate1	has the meaning specified in Condition 5.2(d).

CMS Rate2	has the meaning specified in Condition 5.2(d).
Code	means the U.S. Internal Revenue Code of 1986 (as amended).
Compounded Daily €STR	has the meaning specified in Condition 5.2(b)(vi).
Compounded Daily SOFR	has the meaning specified in Condition 5.2(b)(iii)
Compounded Daily SONIA	has the meaning specified in Condition 5.2(b)(v).
CPI Monthly Reference Index	has the meaning specified in Condition 5.2(e).
Day Count Fraction	in respect of the calculation of an amount of interest for any Interest Period: any day count fraction specified as such in the applicable Final Terms calculated in accordance with the method set out in Condition 5.1 or 5.2 as applicable.
Designated Reference	means the reference specified as such in the applicable Final Terms.
Determination Period	means the period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date).
Distribution Compliance Period	the period that ends 40-days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer(s) (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue).
DTC	The Depository Trust Company.
Dual Currency Note	a Note in respect of which payments of interest and/or principal may be made in a currency other than the Specified Currency. The applicable Final Terms will specify whether a Tranche constitutes Dual Currency Notes or not.
Early Redemption Amount	(i) an amount equal to the paid up nominal amount of each Note on the date of redemption, adjusted, if so specified in the applicable Final Terms, to account for Early Redemption Unwind Costs together with accrued interest, if so specified in the applicable Final Terms, or (ii) an amount calculated in accordance with Condition 7.5.
Early Redemption Unwind Costs	the amount specified as such in the applicable Final Terms or, if Standard Early Redemption Unwind Costs are specified in the applicable Final Terms, an amount determined by the Calculation Agent in its sole and absolute discretion equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the redemption of the Notes and the related termination, settlement or re-establishment of any hedge or related trading position, such amount to be apportioned pro rata amongst each nominal amount of Notes in the Specified Denomination.

Established Rate	the rate for conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into Euro established by the Council of the European Union pursuant to Article 123 of the Treaty.
EURIBOR	the Euro-zone inter-bank offered rate.
EURIBOR Rate	has the meaning specified in Condition 5.2(b).
euro, Euro or EUR	the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended from time to time, and as defined in article 2 of Council Regulation (EC) no.974/98 of 3 May 1998 on the introduction of the euro as amended from time to time.
Euroclear	Euroclear Bank SA/NV
Eurosystem	the central banking system for the euro.
Event of Default	has the meaning specified in Condition 10.
Exchange Notice	has the meaning specified in Condition 4(d).
Final FX Linked Redemption Amount	means the amount calculated in accordance with Condition 7.8.
Final Redemption Amount	an amount specified as such in the applicable Final Terms unless Condition 7.8 applies in which case the Final FX Linked Redemption Amount will be the final redemption amount.
Fixed Coupon Amount	has the meaning specified in Condition 5.1.
Final Redemption Determination Date	has the meaning specified in Condition 7.8.
Financial Centre	any financial centre, specified as such, in the applicable Final Terms.
Fixed Interest Period	the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.
Fixed Rate Convention	has the meaning specified in Condition 5.1(A).
Fixed Rate of Interest	any fixed rate of interest specified as such in the applicable Final Terms.
Fixed Rate Note	any Note to which a Fixed Rate of Interest applies as specified in the applicable Final Terms.
Floating Rate	any floating interest rate specified as such in the applicable Final Terms.
Floating Rate Convention	has the meaning specified in Condition 5.2(a)(A).
Floating Rate of Interest	has the meaning specified in Condition 5.2(b).
Floating Rate Note	any Note to which a Floating Rate applies as specified in the applicable Final Terms.

Following Business Day Convention	with respect to Fixed Rate Notes has the meaning specified in Condition 5.1(B) and with respect to Floating Rate Notes has the meaning specified in Condition 5.2(a)(B).
FX Linked Notes	the FX Linked Interest Notes and FX Linked Redemption Notes.
FX Linked Interest Note	any Note to which FX Linked Interest Basis applies as specified in the applicable Final Terms.
FX Linked Redemption Note	any Note to which the Final FX Linked Redemption Amount applies as specified in the applicable Final Terms.
FX Rate of Interest	has the meaning specified in Condition 5.2(c).
Global Note	a Registered Global Note together with a Bearer Global Note.
HICP Index	has the meaning specified in Condition 5.2(e).
Index Sponsor	has the meaning specified in Condition 5.2(e).
Individual Note Certificates	Registered Notes in definitive form.
Inflation Index	either (i) the HICP Index or (ii) the CPI Monthly Reference Index as specified in the applicable Final Terms.
Inflation Index Cancellation	has the meaning specified in Condition 5.2(e).
Inflation Linked Note	any Note to which the Inflation Linked Rate of Interest applies as specified in the applicable Final Terms.
Inflation Linked Rate of Interest	has the meaning specified in Condition 5.2(e).
INSEE	Institut National de la Statistique et des Etudes Economiques.
Installment Amount	has the meaning specified in Condition 7.6.
Installment Date(s)	has the meaning specified in Condition 7.6.
Installment Note	any Note that may be repayable in two or more installments as specified in the applicable Final Terms.
Interest Amount	has the meaning specified in Condition 5.2(i).
Interest Commencement Date	the Issue Date unless otherwise specified in the applicable Final Terms.
Interest Determination Date	means the applicable interest determination date as specified in the applicable Final Terms.
Interest Payment Date(s)	with respect to Fixed Rate Notes has the meaning specified in Condition 5.1(i) and with respect to Floating Rate Notes has the meaning specified in Condition 5.2(a)(i).
Interest Period	has the meaning specified in Condition 5.2(a).
Investor Put Option	has the meaning specified in Condition 7.4.

ISDA	means the International Swaps and Derivatives Association, Inc.
ISDA Determination	the method for determining the interest rate of Floating Rate Notes as specified in Condition 5.2(b)(i).
Issue Date	the issue date specified as such in the applicable Final Terms.
Issue Price	the issue price of the Notes specified as such in the applicable Final Terms.
Issuer	Nederlandse Waterschapsbank N.V.
Issuer Call Option	has the meaning specified in Condition 7.3.
Latest Level	has the meaning specified in Condition 5.2(e).
Legend	a legend specifying certain restrictions on transfer.
Legended Note	Registered Notes (whether represented by a Rule 144A Global Note or any restricted Individual Note Certificate) sold in private transactions to QIBs in accordance with the requirements of Rule 144A which bear a Legend.
Linear Interpolation	the method for determining the interest rate on Floating Rate Notes as specified in Condition 5.2(j).
Long Maturity Note	has the meaning specified in Condition 6.3.
Manifest Error Cut-off Date	has the meaning specified in Condition 5.2(e).
Margin	the margin applicable to the Notes specified as such in the applicable Final Terms.
Maturity Date	the date of maturity of the Notes as specified in the applicable Final Terms.
Maximum Rate of Interest	the maximum rate of interest specified as such in the applicable Final Terms.
Maximum Redemption Amount	the maximum redemption amount specified as such in the applicable Final Terms.
Minimum Rate of Interest	the minimum rate of interest specified as such in the applicable Final Terms or if no such rate is stated the Minimum Rate of Interest shall be deemed zero.
Minimum Redemption Amount	the minimum redemption amount specified as such in the applicable Final Terms.
Modified Following Business Day Convention	with respect to Fixed Rate Notes has the meaning specified in Condition 5.1(C) and with respect to Floating Rate Notes has the meaning specified in Condition 5.2(a)(C).
Multiplier1/Multiplier2/Multiplier3/ Multiplier4	the multiple or fraction specified as such in the applicable Final Terms. The value of the multiple or fraction may be lower than, equal to or higher than 1 (one) or 100% but not lower than or equal to 0 (zero) or 0%. If the multiplier is 1 (one) or 100% there will effectively be no multiplying effect.

Notice Period	means the applicable Notice Period specified in the applicable Final Terms within which the Issuer must notify Noteholders of an event in accordance with the relevant Conditions.
Optional Redemption Amount	an amount specified as such in the applicable Final Terms, and if no such amount is specified, the nominal amount of such Note.
Optional Redemption Date(s)	if specified as applicable in the applicable Final Terms, the date(s) designated and notified by the Issuer to the Noteholders (in the event an Issuer Call Option is applicable) or by the Noteholders to the Issuer (in the event an Investor Put Option is declared applicable).
Original Currency	has the meaning specified in Condition 6.9.
Original Reference Rate	has the meaning specified in Condition 5.2(f).
Partly Paid Note	any Note where the issue price is payable in more than one instalment as specified in the applicable Final Terms.
Part Payment Amount	means the amount specified as such in the applicable Final Terms.
Part Payment Date	means the date specified as such in the applicable Final Terms.
Payment Day	has the meaning specified in Condition 6.7.
Period of Cessation of Publication	has the meaning specified in Condition 5.2(e).
Permanent Bearer Global Note	a permanent bearer global Note.
Preceding Business Day Convention	with respect to Fixed Rate Notes has the meaning specified in Condition 5.1(D) and with respect to Floating Rate Notes has the meaning specified in Condition 5.2(a)(D).
Put Notice	has the meaning specified in Condition 7.4.
QIB	a qualified institutional buyer within the meaning of Rule 144A.
Rate Determination Agent	has the meaning specified in Condition 5.2(f).
Rate of Exchange	means the exchange rate specified as such in the applicable Final Terms.
Rate(s) of Interest	either the Fixed Rate of Interest, Floating Rate of Interest, FX Rate of Interest, Inflation Linked Rate of Interest or CMS Linked Rate of Interest as specified in the applicable Final Terms.
Rebased Index	has the meaning specified in Condition 5.2(e).
Record Date	has the meaning specified in Condition 6.5.
Redeemed Notes	has the meaning specified in Condition 7.3.
Redenomination Date	in the case of interest bearing notes, any date for payment of interest under the Notes or, in the case of Zero Coupon Notes, any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) of Condition 4 and which falls on or after the date on which the country of the Specified

	Currency first participates in the third stage of European economic and monetary union.
Reference Banks	has the meaning specified in Condition 5.2(b).
Reference Level	has the meaning specified in Condition 5.2(e).
Reference Month	has the meaning specified in Condition 5.2(e).
Reference Price	the reference price specified as such in the applicable Final Terms.
Reference Rate	the rate specified as such in the applicable Final Terms being either EURIBOR, Compounded Daily SOFR, SOFR Average, Compounded Daily SONIA or Compounded Daily €STR, subject to the fallback provisions set out in Condition 5.2.
Register	has the meaning specified in Condition 6.5.
Registered Global Note	a Rule 144A Global Note together with a Regulation S Global Note.
Registered Notes	Notes issued in registered form.
Regulation S	Regulation S under the Securities Act.
Regulation S Global Note	a Registered Global Note representing Notes initially sold outside the United States to non-U.S. persons in reliance on Regulation S.
Relevant Date	has the meaning specified in Condition 8.
Relevant Level	has the meaning specified in Condition 5.2(e).
Relevant Screen Page	such page, section, caption or column or other part of a particular information service as may be specified in the applicable Final Terms.
Replacement Reference Rate	has the meaning specified in Condition 5.2(f).
Rule 144	Rule 144 under the Securities Act.
Rule 144A	Rule 144A under the Securities Act.
Rule 144A Global Note	a Registered Global Note representing Notes initially sold to U.S. persons and in the United States to persons that are QIBs.
Screen Rate Determination	the method for determining the interest rate of Floating Rate Notes as specified in Condition 5.2(b)(ii), Condition 5.2(b)(iii), Condition 5.2(b)(iv), Condition 5.2(b)(v) and Condition 5.2(b)(vi).
Securities Act	the United States Securities Act of 1933, as amended.
Selection Date	has the meaning specified in Condition 7.3.
SOFR Average	has the meaning specified in Condition 5.2(b)(iv).

Specified Currency	the currency of the Notes specified as such in the applicable Final Terms.
Specified Denomination	the denomination of the Notes specified as such in the applicable Final Terms.
Specified Interest Payment Date	the interest payment date specified as such in the applicable Final Terms.
Specified Interest Period(s)	with respect to Fixed Rate Notes has the meaning specified in Condition 5.1(ii) and with respect to Floating Rate Notes has the meaning specified in Condition 5.2(a)(ii).
Specified Payment Date	is the date specified in the applicable Final Terms as such.
Specified Time	has the meaning specified in Condition 5.2(b)(ii).
Substitute Index Level	has the meaning specified in Condition 5.2(e).
sub-unit	with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.
Successor Index	has the meaning specified in Condition 5.2(e).
TARGET System	the Trans-European Automated Real-Time Gross Settlement Express Transfer System (known as TARGET or T2), launched on 19 November 2007, which utilizes a single shared platform or any sucessor or replacement for that system.
Target Redemption Amount	the amount specified as such in the applicable Final Terms.
Taxes	has the meaning specified in Condition 8.
Temporary Bearer Global Note	a temporary bearer global Note.
Transfer Certificate	has the meaning specified in Condition 2.5.
Treaty	the Treaty establishing the European Community, as amended.
U.S.	the United States.
Zero Coupon Notes	Notes during the term of which no interest shall become due and payable. The applicable Final Terms will specify whether the Tranche constitutes Zero Coupon Notes or not.

1. FORM, DENOMINATION AND TITLE

The Notes may be issued in the form of Bearer Notes or in the form of Registered Notes as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the Specified Currency, the Specified Denomination(s) and the Specified Form(s) save that in the case of any Notes the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes). Bearer Notes may not be exchanged for Registered Notes and *vice versa*. No single Series or Tranche may comprise both Bearer Notes and Registered Notes.

Each Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an FX Linked Interest Note, an Inflation Linked Note or a CMS Linked Note, depending on the Interest Basis specified in the applicable Final Terms.

Each Note may be an FX Linked Redemption Note, an Installment Note, a Dual Currency Note or a Partly Paid Note, depending on the Redemption/Payment Basis specified in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The following information in this paragraph summarizes the most relevant provisions of the Agency Agreement with regard to this matter. The Registered Notes to be transferred must be delivered for registration to the specified office of the Registrar with the form of transfer endorsed on them duly completed and executed and must be accompanied by such documents, evidence and information (including, but not limited to, a transfer certificate as provided in the Agency Agreement) as may be required pursuant to these Terms and Conditions and such other evidence as the Issuer may reasonably require to prove the title of the transferor or his right to transfer the Registered Notes.

Except as required by law, the Issuer, the Principal Paying Agent and any other Paying Agent will treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and any Paying Agent as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global Note (and the expressions '**Noteholder**' and '**holder of Notes**' and related expressions shall be construed accordingly).

For so long as DTC or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear, and/or Clearstream, Luxembourg, as the case may be.

References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2. TRANSFERS OF REGISTERED NOTES

2.1 Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear, and/or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Individual Note Certificates or for a beneficial interest in another Registered Global Note only in the Specified Denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear, and/or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. The following information in this paragraph summarizes

the most relevant provisions of the Agency Agreement with regard to this matter. For transfers of interests in a Registered Global Note for Individual Note Certificates, the Registered Notes to be transferred must be delivered for registration to the specified office of the Registrar with the form of transfer endorsed on them duly completed and executed and must be accompanied by such documents, evidence and information (including, but not limited to, a transfer certificate) as may be required pursuant to these Terms and Conditions and such other evidence as the Issuer may reasonably require to prove the title of the transferor or his right to transfer the Registered Notes. Transfers of a Registered Global Note registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

2.2 Transfers of Individual Note Certificates

Subject as provided in Conditions 2.5 and 2.6 below, upon the terms and subject to the conditions set forth in the Agency Agreement (as summarized in this paragraph), an Individual Note Certificate may be transferred in whole or in part (in the Specified Denominations set out in the applicable Final Terms). In order to effect any such transfer (a) the holder or holders must (i) surrender the Individual Note Certificate for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorized in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial regulations being set out in Schedule 7 to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Individual Note Certificate registered in the name of the transferee of a like aggregate nominal amount to the Individual Note Certificate (or the relevant part of the Individual Note Certificate) transferred. In the case of the transfer of part only of an Individual Note Certificate, a new Individual Note Certificate in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

2.3 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

2.4 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

2.5 Transfers of interests in Regulation S Global Notes

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States will only be made:

(a) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a '**Transfer Certificate**'), copies of which are available from the specified office of any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or

(b) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States;

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In the case of (a) above, such transferee may take delivery through an interest in the Rule 144A Global Note. After expiry of the applicable Distribution Compliance Period (A) beneficial interests in Regulation S Global Notes registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (B) such certification requirements will no longer apply to such transfers.

2.6 Transfers of interests in Legended Notes

Transfers of Legended Notes or beneficial interests therein may be made:

(a) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S or Rule 144 (if available) and that in the case of a Regulation S Global Note registered in the name of a nominee for DTC, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or

(b) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(c) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

3. STATUS OF THE NOTES AND NEGATIVE PLEDGE

The Notes and the relative Receipts and Coupons constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law. So long as the Notes or any relative Receipts or Coupons remain outstanding the Issuer will not secure any present or future indebtedness (whether being principal, premium, interest or other amounts) represented by notes, bonds or other debt securities which are for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market without securing the Notes equally and ratably except that the foregoing shall not apply to:

(a) presently existing security which may be used to secure other obligations;

(b) security arising by operation of law;

(c) security to finance the purchase price of assets;

(d) security for tax and other governmental levies which may be paid after their due date without penalty; or

(e) repurchase agreements.

4. REDENOMINATION

Where redenomination is specified in the applicable Final Terms, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear and/or Clearstream, Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Notes that are denominated in a currency of a member state of the European Union shall be redenominated in Euro. Redenomination cannot be elected for Dual Currency Notes, FX Linked Notes, Inflation Linked Notes and CMS Linked Notes.

Subject to any applicable regulations, the election will have effect as follows:

(a) the Notes and the Receipts shall be deemed to be redenominated into Euro with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into Euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, the market practice at that time in respect of the redenomination in Euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;

(b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;

(c) if Definitive Bearer Notes or Individual Note Certificates are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in denominations of €100,000 (as determined by the Issuer in consultation with the Agent) and or such other denominations (of at least €100,000) as the Agent shall determine and notify to the Noteholders;

(d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the '**Exchange Notice**') that replacement Euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New Euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent may specify in consultation with the Issuer where practicable and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

(e) on or after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro as though references in the Notes to the Specified Currency were to Euro. Payments will be made in Euro by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee;

(f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction as specified in the applicable Final Terms, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention; and

(g) if the Notes are Floating Rate Notes, the Issuer may adjust the reference rate of the Notes to EURIBOR, €STR, SONIA or SOFR and, if required, any or all Interest Payment Dates as it deems necessary in accordance with the then

pertaining market practice taking into account the redenomination and in order to preserve the economic equivalent of the obligations of the Issuer in respect of interest under such Notes.

5. INTEREST

5.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Fixed Rate(s) of Interest. Interest will be payable in arrear on either:

(i) the Specified Interest Payment Date(s) (each an '**Interest Payment Date**') in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an '**Interest Payment Date**') which falls on the number of months or other period specified as the specified interest period in the applicable Final Terms (each a '**Specified Interest Period**') after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each '**Interest Period**' (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the '**Fixed Interest Period**' ending on (but excluding) such date will amount to the '**Fixed Coupon Amount**' (as specified in the applicable Final Terms). Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the '**Broken Amount**' so specified in the applicable Final Terms.

As used in these Terms and Conditions, Fixed Interest Period means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period or if, in the case of Notes in definitive form, no applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, such interest shall be calculated by applying the Fixed Rate of Interest to:

(a) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding principal amount of the (A) Fixed Rate Notes represented by such Global Note or (B) such Registered Notes (or, in each case, if they are Partly Paid Notes, the aggregate amount paid up); or

(b) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction. The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the aggregate outstanding nominal amount of Fixed Rate Notes which are Registered Notes in definitive form or the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

'**Day Count Fraction**' means, in respect of the calculation of an amount of interest in accordance with this Condition 5.1:

(a) if '**Actual/Actual (ICMA)**' is specified in the applicable Final Terms:

i. in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the '**Accrual Period**') is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

ii. in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Determination Dates that would occur in one calendar year;

(b) if '**30/360**' is specified in the applicable Final Terms, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360.

(c) if '**Actual/365 (Fixed)**' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365.

(d) if '**Actual/365 (Sterling)**' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) in any case where Specified Interest Periods are specified in accordance with item (ii) above, the '**Fixed Rate Convention**', such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (q) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (z) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Interest Period after the preceding applicable Interest Payment Date occurred; or

(B) the '**Following Business Day Convention**', such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(C) the '**Modified Following Business Day Convention**', such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day, save in respect of Notes for which the Reference Rate is specified in the applicable Final Terms as being Compounded Daily SOFR or SOFR Average, in which case the final Interest Payment Date will not be postponed and interest on that payment will not accrue during the period from and after the scheduled final Interest Payment Date; or

(D) the '**Preceding Business Day Convention**', such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

If '**Unadjusted**' is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If '**Adjusted**' is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date is subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

5.2 Interest on Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes and CMS Linked Notes

(a) Interest Payment Dates

Each Floating Rate Note, FX Linked Interest Note, Inflation Linked Note and CMS Linked Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate equal to the Rate of Interest payable in arrear on either:

(i) the Specified Interest Payment Date(s) (each an '**Interest Payment Date**') in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an '**Interest Payment Date**') which falls on the number of months or other period specified as the specified interest period in the applicable Final Terms (each a '**Specified Interest Period**') after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each '**Interest Period**' (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) in any case where Specified Interest Periods are specified in accordance with Condition (ii) above, the '**Floating Rate Convention**', such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (q) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (z) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Interest Period after the preceding applicable Interest Payment Date occurred; or

(B) the '**Following Business Day Convention**', such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(C) the '**Modified Following Business Day Convention**', such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day, save in respect of Notes for which the Reference Rate is specified in the applicable Final Terms as being Compounded Daily SOFR or SOFR Average, in which case the final Interest Payment Date will not be postponed and interest on that payment will not accrue during the period from and after the scheduled final Interest Payment Date; or

(D) the '**Preceding Business Day Convention**', such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

If '**Unadjusted**' is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

If '**Adjusted**' is specified in the applicable Final Terms the number of days in each Interest Period shall be calculated, for the purposes of determining the Interest Amount(s) only, as if the Interest Payment Date is subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

(b) Rate of Interest for Floating Rate Notes

The '**Floating Rate of Interest**' payable from time to time in respect of the Floating Rate Notes will be determined in the manner specified in the applicable Final Terms on the following basis:

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), '**ISDA Rate**' for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent or the Calculation Agent, as applicable, under an interest rate swap transaction if the Principal Paying Agent or the Calculation Agent, as applicable, were acting as Calculation Agent (as defined in the applicable ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating either (i) the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the '**2006 ISDA Definitions**') or (ii) the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (as published by ISDA as at the Issue Date of the first Tranche of the Notes of the relevant Series), as specified in the applicable Final Terms (the '**2021 ISDA Definitions**' and together with the 2006 ISDA Definitions, the '**ISDA Definitions**'); and under which:

(A) the Floating Rate Option is as specified in the applicable Final Terms;

(B) the Designated Maturity is a period specified in the applicable Final Terms; and

(C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), '**Floating Rate**', '**Floating Rate Option**', '**Designated Maturity**' and '**Reset Date**' have the meanings given to those terms in the applicable ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes referencing EURIBOR

Where 'Screen Rate Determination' is specified in the applicable Final Terms as the manner in which the Floating Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being a EURIBOR, the Rate of Interest for each Interest Period will (subject to this Condition 5.2(b)(ii) and Condition 5.2(f)), be either:

(A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place), with 0.000005 being rounded upwards) of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent or the Calculation Agent, as applicable for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this subparagraph in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph. The following summarizes the most relevant provisions of the Agency Agreement with regard to this matter. In such an event, the Principal Paying Agent shall request that each of the Reference Banks (as defined below) provide the Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent.

The expression '**Reference Banks**' means the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Issuer or as specified in the applicable Final Terms.

The expression '**Specified Time**' means 11.00 a.m. (Brussels time).

Unless otherwise specified in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(iii) Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR

Where 'Screen Rate Determination' is specified in the applicable Final Terms as the manner in which the Floating Rate of Interest is to be determined, and the Rate of Interest is specified in the applicable Final Terms as being Compounded Daily SOFR, the Rate of Interest for each Interest Period will (subject to this Condition 5.2(b)(iii) and Condition 5.2(g)) be Compounded Daily SOFR plus or minus (as indicated in the applicable Final Terms) the Margin.

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded Daily SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days in the Observation Period will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded Daily SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 5.2(g) below will apply.

'**Interest Determination Date**' means, in respect of any Interest Period, the date falling 'p' U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling 'p' U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

'**U.S. Government Securities Business Day**' means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

'**Business Day**' means any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York City and each (if any) Additional Business Centre(s) and is not a date on which banking institutions in New York City and each (if any) Additional Business Centre(s) are authorised or required by law or regulation to be closed;

'**Observation Period**' in respect of each Interest Period means the period from, and including, the date falling 'p' U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date falling 'p' U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period;

'**SOFR**' with respect to any U.S. Government Securities Business Day, means:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the '**SOFR Determination Time**'); or

(ii) if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

'**SOFR Administrator**' means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

'**SOFR Administrator's Website**' means the website of the Federal Reserve Bank of New York, or any successor source;

'**Compounded Daily SOFR**' with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place of a percentage point, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \text{ X } n_i}{360}\right)-1\right] \text{x } \frac{360}{d}$$

where:

'$\mathbf{d_o}$' means, for any Observation Period, the number of U.S. Government Securities Business Days in such Observation Period;

'**i**' means, for any Observation Period, a series of whole numbers from one to 'd_o', each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in such Observation Period to, and including, the last U.S. Government Securities Business Day in such Observation Period;

'**p**' for any Interest Period, means the number of U.S. Government Securities Business Days specified in the applicable Final Terms and which shall not be as less than five without the prior written consent of the Calculation Agent;

'$\mathbf{SOFR_i}$' for any U.S. Government Securities Business Day 'i' in the relevant Observation Period, is equal to SOFR in respect of that day 'i';

'$\mathbf{n_i}$' for any U.S. Government Securities Business Day 'i' in the relevant Observation Period, means the number of calendar days from, and including, such U.S. Government Securities Business Day 'i' up to, but excluding, the following U.S. Government Securities Business Day ('i +1'); and

'**d**' is the number of calendar days in the Observation Period.

(iv) Screen Rate Determination for Floating Rate Notes referencing SOFR Average

Where 'Screen Rate Determination' is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Final Terms as being SOFR Average, the Rate of Interest for each Interest Period will (subject to this Condition 5.2(b)(iv) and Condition 5.2(g)) be SOFR Average plus or minus (as indicated in the applicable Final Terms) the Margin.

'**SOFR Average**' means, in respect of an Interest Period, the rate calculated by the Calculation Agent, on the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place of a percentage point, with 0.000005 being rounded upwards:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{\mathrm{d_c}}\right)$$

where:

'**SOFR *Index*$_{Start}$**' means the SOFR Index value on the day which is 'p' U.S. Government Securities Business Days preceding the first date of the relevant Interest Period (an '**Index Determination Start Date**');

'**SOFR *Index*$_{End}$**' means the SOFR Index value on the day which is 'p' U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period (or in the final Interest Period, the Maturity Date) (an '**Index Determination End Date**');

'**p**' means the whole number specified in the applicable Final Terms, such number representing a number of U.S. Government Securities Business Days and which shall not be specified in the applicable Final Terms as less than five without the prior written consent of the Calculation Agent;

'**d_c**' means the number of calendar days from (and including) SOFR *Index*$_{Start}$ to (but excluding) SOFR *Index*$_{End}$

'Interest Determination Date' has the meaning ascribed to it in Condition 5.2(b)(iii) above;

'**Index Determination Date**' means an Index Determination Start Date or an Index Determination End Date, as the case may be;

'**SOFR Administrator**' has the meaning ascribed to it in Condition 5.2(b)(iii) above;

'**SOFR Administrators Website**' has the meaning ascribed to it in Condition 5.2(b)(iii) above;

'**SOFR Determination Time**' has the meaning ascribed to it in Condition 5.2(b)(iii) above;

The '**SOFR Index**' in relation to any U.S. Government Securities Business Day shall be the value as published by the SOFR Administrator on the SOFR Administrator's Website at the SOFR Determination Time; and

'**U.S. Government Securities Business Day**' has the meaning ascribed to it in Condition 5.2(b)(iii) above.

Subject as set out in Condition 5.2(g) below, if the SOFR Index is not published on any relevant Index Determination Date, and a Benchmark Transition Event and related Benchmark Replacement Date have not occurred, '**SOFR Average**' means, for an Interest Determination Date with respect to an Interest Period, USD-SOFR-COMPOUND, i.e., the daily compound interest investment (it being understood that the reference rate for the calculation of such interest is the Secured Overnight Financing Rate (SOFR)), calculated in accordance with only the formula and definitions required for such formula set forth in USD-SOFR-COMPOUND of Supplement number 57 (for the avoidance of doubt, without applying any fallbacks included therein) to the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.), as published on 16 May 2018 (and for the purposes of such provisions, references to '**Calculation Period**' shall mean, the period from and including the date which is '**p**' U.S. Government Securities Business Days preceding the first date of the relevant Interest Period to, but excluding, the date which is '**p**' U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period (or in the final Interest Period, the Maturity Date) (or if the Notes become due and payable in accordance with Condition 10 (*Events of Default*), the date on which the Notes become due and payable (or, if such date is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such date) and references to '**SOFR Index Cessation Event**' shall mean Benchmark Transition Event (as defined below)).

If a Benchmark Transition Event and its related Benchmark Replacement Date have occurred during such Interest Period, the provisions below under Condition 5.2(g) shall apply to such Interest Period and any future Interest Periods (subject to the occurrence of any future Benchmark Transition Event).

(v) Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SONIA

Where 'Screen Rate Determination' is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Reference Rate in respect of the relevant Series of Floating Rate Notes is

specified in the applicable Final Terms as being Compounded Daily SONIA, the Rate of Interest for an Interest Accrual Period will (subject to this Condition 5.2(b)(v)) be Compounded Daily SONIA with respect to each such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

'**Compounded Daily SONIA**' means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place of a percentage point, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pLBD}\ \times\ n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

'**d**' is the number of calendar days in the relevant Interest Accrual Period;

'**d_o**' is the number of London Banking Days in the relevant Interest Accrual Period;

'**i**' is a series of whole numbers from one to 'd_o', each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Accrual Period, to, unless excluded by the Issuer, the last London Banking Day in the relevant Interest Accrual Period;

'**London Banking Day**' or '**LBD**' means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

'**n_i**', for any London Banking Day 'i', means the number of calendar days from and including such London Banking Day 'i' up to but excluding the following London Banking Day;

'**Observation Period**' means, in respect of each Interest Accrual Period, the period from and including the date falling 'p' London Banking Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling 'p' London Banking Days prior to the end of such Interest Accrual Period (or the date falling 'p' London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

'**p**' means for any Interest Accrual Period, the whole number of London Banking Days included in the Observation Look-back Period, as specified in the applicable Final Terms, being no less than five London Banking Days;

'**$SONIA_{i\text{-}pLBD}$**' means, in respect of any London Banking Day 'i' falling in the relevant Observation Period, the SONIA reference rate for the London Banking Day falling 'p' London Banking Days prior to the relevant London Banking Day 'i'; and

the '**SONIA reference rate**', in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average ('**SONIA**') rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Banking Day immediately following such London Banking Day).

As used herein, an '**Interest Accrual Period**' means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 10, shall be the date on which such Notes become due and payable).

If the relevant Series of Notes becomes due and payable in accordance with Condition 10, the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in this Condition 5.2(b)(v).

If in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent determines that the applicable SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, the SONIA reference rate in respect of such London Banking Day shall be: (i) the Bank of England's Bank Rate (the '**Bank Rate**') prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads).

Where the SONIA reference rate is being determined in accordance with the preceding paragraph, if the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace the SONIA reference rate, the Calculation Agent shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA reference rate for any London Banking Day 'i' for the purpose of the relevant Series of Notes for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

To the extent that any amendments or modifications to the Conditions or the Agency Agreement are required in order for the Calculation Agent to follow such guidance in order to determine Compounded Daily SONIA, the Calculation Agent shall have no obligation to act until such amendments or modifications have been made in accordance with the Conditions and the Agency Agreement.

Provided that a Benchmark Event has not occurred in respect of the Compounded Daily SONIA, if the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent, the Rate of Interest shall be (i) the Rate of Interest determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to that last preceding Interest Accrual Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period). For the avoidance of doubt, if the Rate of Interest cannot be determined in accordance with the foregoing provisions where a Benchmark Event has occurred in respect of the Compounded Daily SONIA, the provisions in Condition 5.2(f) shall apply.

(vi) Screen Rate Determination for Floating Rate Notes referencing Compounded Daily €STR

Where 'Screen Rate Determination' is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being Compounded Daily €STR, the Rate of Interest for an Interest Accrual Period will (subject to this Condition 5.2(b)(vi)) be Compounded Daily €STR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

'**Compounded Daily €STR**' means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily euro short-term rate as the reference rate of the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place of a percentage point, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{€STR_{i-pTBD}\,\mathrm{X}\,n_i}{360}\right)-1\right]\mathrm{x}\,\frac{360}{d}$$

where:

'**d**' is the number of calendar days in the relevant Interest Accrual Period;

'**d_o**' is the number of TARGET Settlement Days in the relevant Interest Accrual Period;

'**ECB**' means the European Central Bank or any successor or substituting authority thereto;

'**i**' is a series of whole numbers from one to 'do', each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Interest Accrual Period to, and including, the last TARGET Settlement Day in the relevant Interest Accrual Period;

'**n_i**', for any TARGET Settlement Day 'i', means the number of calendar days from and including such TARGET Settlement Day 'i' up to but excluding the following TARGET Settlement Day;

'**Observation Period**' means, in respect of each Interest Accrual Period, the period from and including the date falling 'p' TARGET Settlement Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling 'p' TARGET Settlement Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling 'p' TARGET Settlement Days prior to such earlier date, if any, on which the Notes become due and payable);

'**p**' means for any Interest Accrual Period, the whole number of TARGET Settlement Days included in the Observation Look-back Period, as specified in the applicable Final Terms, being no less than five TARGET Settlement Days;

'**TARGET Settlement Day**' means any day on which the TARGET System is open for the settlement of payments in Euro;

'**€STR Reference Rate**' means, in respect of any TARGET Settlement Day, a reference rate equal to the daily euro short-term rate ('**€STR**') for such TARGET Settlement Day as published by the ECB, as administrator of such rate (or any successor administrator of such rate), on the website of the ECB initially at http://www.ecb.europa.eu, or any successor website officially designated by the ECB (the '**ECB's Website**') (in each case, on or before 9:00 a.m., Central European Time, on the TARGET Settlement Day immediately following such TARGET Settlement Day); and

'**$€STR_{i-pTBD}$**' means, in respect of any TARGET Settlement Day 'i' falling in the relevant Interest Accrual Period, the €STR Reference Rate for the TARGET Settlement Day falling 'p' TARGET Settlement Days prior to the relevant TARGET Settlement Day 'i'.

The following provisions apply in case the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above or if the Rate of Interest cannot otherwise be determined in accordance with the provisions set forth herein, respectively.

If the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above, and unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date (each, as defined below) have occurred, the €STR Reference Rate shall be a rate equal to €STR for the last TARGET Settlement Day for which such rate was published on the ECB's Website.

If the €STR Reference Rate is not published in respect of a TARGET Settlement Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the ECB (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the ECB (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the ECB or another administrator) (the '**ECB Recommended Rate**'), provided that, if no such rate has been recommended before the end of the first TARGET Settlement Day following the date on which the €STR Index Cessation Effective Date occurs, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including such €STR Index Cessation Effective Date will be determined as if references to '€STR' were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, as published on the ECB's Website (the

'**EDFR**') on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the €STR Index Cessation Event occurs (the '**EDFR Spread**').

Provided further that, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring from and including that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to '€STR' were references to the EDFR on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

If the relevant Series of Notes becomes due and payable in accordance with Condition 10, the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition 5.5.

As used in these Conditions:

'**€STR Index Cessation Event**' means the occurrence of one or more of the following events:

(i) a public statement or publication of information by or on behalf of the ECB (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

'**€STR Index Cessation Effective Date**' means, in respect of an €STR Index Cessation Event, the first date for which €STR is no longer provided by the ECB (or any successor administrator of €STR);

'**ECB Recommended Rate Index Cessation Event**' means the occurrence of one or more of the following events:

(i) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate;

'**ECB Recommended Rate Index Cessation Effective Date**' means, in respect of an ECB Recommended Rate Index Cessation Event, the first date for which the ECB Recommended Rate is no longer provided by the administrator thereof; and

'**Interest Accrual Period**' means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding)

the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 10, shall be the date on which such Notes become due and payable).

Provided that a Benchmark Event has not occurred in respect of the Compounded Daily €STR, if the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent, the Rate of Interest shall be (i) the Rate of Interest determined as at the last preceding Interest Determination Date (through substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the last preceding Interest Accrual Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period). For the avoidance of doubt, if the Rate of Interest cannot be determined in accordance with the foregoing provisions where a Benchmark Event has occurred in respect of the Compounded Daily €STR, the provisions in Condition 5.2(f) shall apply.

(c) Rate of Interest for FX Linked Interest Notes

The Rate of Interest payable from time to time in respect of the FX Linked Interest Notes will be determined on the following basis:

FX Rate of Interest = Multiplier1 x (Reference Price/FX Level1) - Margin1;

where:

'**Multiplier1**' shall mean the value specified in the applicable Final Terms;

'**Reference Price**' means, in relation to an Interest Determination Date, an amount equal to the arithmetic mean of the offered rate and bid rate of exchange appearing on the Relevant FX Screen Page at the Relevant Time on that Interest Determination Date for the exchange of such Specified Currency into the Base Currency (expressed as the number of units (or part units) of the Specified Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic average (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Specified Currency/Base Currency exchange rates (expressed as aforesaid) at the Relevant Time on such Interest Determination Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent);

'**Interest Determination Date**' has the meaning given in the applicable Final Terms;

'**Relevant FX Screen Page**' has the meaning given in the applicable Final Terms;

'**Relevant Time**' has the meaning given in the applicable Final Terms;

'**Base Currency**' has the meaning given in the applicable Final Terms;

'**Margin1**' has the meaning specified in the applicable Final Terms; and

'**FX Level1**' shall be an exchange rate level specified in the applicable Final Terms.

(d) Rate of Interest for CMS Linked Notes

The Rate of Interest payable from time to time in respect of the CMS Linked Notes will be determined on the following basis:

CMS Linked Rate of Interest = Multiplier2 x (Multiplier3 x CMS Rate1 - Multipier4 x CMS Rate2) + Margin2

where:

'**Multiplier2**' shall mean the value specified in the applicable Final Terms;

'**Multiplier3**' shall mean the value specified in the applicable Final Terms;

'**Multiplier4**' shall mean the value specified in the applicable Final Terms;

'**CMS Rate1**' shall mean, with respect to any Interest Determination Date relating to a CMS Linked Note, the rate for CMS swaps with a designated maturity for a specified number of years (as specified in the applicable Final Terms as Designated Maturity1) which appears on Reuters 'ISDAFIX1 Page (the 'ISDAFIX1 Page') as of 11:00 a.m., Brussels time, on the related Interest Determination Date; and

'**CMS Rate2**' shall mean, with respect to any Interest Determination Date relating to a CMS Linked Note, the rate for Euro swaps with a designated maturity for a specified number of years (as specified in the applicable Final Terms as Designated Maturity2) which appears on Reuters ISDAFIX1 Page (the 'ISDAFIX1 Page') as of 11:00 a.m., Brussels time, on the related Interest Determination Date.

The following procedures will be used to determine the CMS Rate1 or the CMS Rate2 if such rate cannot be determined as described above:

(1) If the above rate is no longer displayed on the ISDAFIX1 Page, or if not displayed by 11:00 a.m., Brussels time, on the Interest Determination Date, then that rate will be the rate for CMS swaps, with the nearest maturity to the Designated Maturity1 with respect to the CMSRate1 or Designated Maturity2 with respect to CMSRate2 designated in the applicable Final Terms, which appears on the ISDAFIX1 Page as of 11:00 a.m., Brussels time on the Interest Determination Date.

(2) If the information set out under (1) is no longer displayed by 11:00 a.m. Brussels time on the Interest Determination Date, then the CMS Rate1 or CMS Rate2, as applicable, will be a percentage determined on the basis of the mid-market, annual swap rate quotations provided by five leading swap dealers in the Eurozone interbank market at approximately 11:00 a.m., Brussels time on the Interest Determination Date. For this purpose, the annual swap rate means the mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating CMS swap with a term equal to the maturity of the Designated Maturity1 with respect to the CMSRate1 or Designated Maturity2 with respect to CMSRate2 designated in the applicable Final Terms on that Interest Determination Date with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to the rate for deposits in Euro with a maturity of three months which appears on the EURIBOR001 page. The Calculation Agent will select the five swap dealers after consultation with the Issuer and will request the principal Eurozone office of each of those dealers to provide a quotation of its rate. If at least three quotations are provided, the CMS Rate1 or CMS Rate2 for that Interest Determination Date will be the arithmetic mean of the quotations, eliminating the highest and lowest quotations or, in the event of equality, one of the highest and one of the lowest quotations.

(3) If fewer than three leading swap dealers selected by the Calculation Agent are quoting as described above, CMS Rate1 or CMS Rate2 will remain the rate, as applicable, in effect on that Interest Determination Date or, if that Interest Determination Date is the first Interest Determination Date, CMS Rate1 or CMS Rate2 in effect on the Interest Commencement Date.

'**Margin2**' has the meaning specified in the applicable Final Terms.

(e) Rate of Interest for Inflation Linked Notes

The Rate of Interest payable from time to time in respect of the Inflation Linked Notes will be determined on the following basis:

$$\text{Inflation Linked Rate of Interest} = \text{Margin3} + \text{Max}[\{(\text{Inflation Index}_{t} - \text{Inflation Index}_{t-1}) / \text{Inflation Index}_{t-1}\}, 0]$$

where:

'**Margin3**' has the meaning specified in the applicable Final Terms;

'**Inflation Index**' means one of the following as specified in the applicable Final Terms:

(a) '**CPI Monthly Reference Index**' which refers to the definitive consumer price index, excluding tobacco, for all households in metropolitan France, as calculated and published monthly by the INSEE, as such index may be adjusted or replaced from time to time as provided herein;[13] or

(b) '**HICP Index**' which refers to the European Harmonized Index of Consumer Prices, excluding Tobacco published by EUROSTAT on a monthly basis as shown on Bloomberg page CPTFEMU <Index> (non-revised numbers);[14]

'**t**' means in respect of an Inflation Index the latest level of such Inflation Index (excluding any 'flash' estimates) published or announced by the relevant Index Sponsor for the Reference Month prior to the Interest Determination Date in respect of which the Interest Rate is being determined; and

'**t-1**' means in respect of an Inflation Index the latest level of such Inflation Index (excluding any 'flash' estimates) published or announced by the relevant Index Sponsor for the Reference Month prior to the latest Interest Determination Date (or Interest Commencement Date if the interest is being calculated over first Interest Period after the Issue Date) occurring before the Interest Determination Date in respect of which the Interest Rate is being determined.

If the Calculation Agent determines, in respect of an Inflation Index and an Interest Determination Date, that the level of such Inflation Index for a Reference Month which is relevant to the calculation of a payment under the Notes (a '**Relevant Level**') has not been published or announced by the relevant Interest Determination Date, the Calculation Agent shall determine the level of such Inflation Index for such Reference Month (a '**Substitute Index Level**') in place of such Relevant Level by using the following methodology:

Substitute Index Level = Base Level x (Latest Level/Reference Level)

The Issuer shall promptly give notice to the Noteholders in accordance with Condition 14 of any Substitute Index Level.

If a Relevant Level in respect of an Interest Determination Date is published or announced at any time after the relevant Interest Determination Date, such Relevant Level will not be used in any calculations. The Substitute Index Level determined pursuant to this Condition will be the definitive level for that Reference Month.

If the Calculation Agent determines that the level of an Inflation Index has not been published or announced for two consecutive months (the '**Period of Cessation of Publication**') and/or the relevant Index Sponsor announces that it will no longer continue to publish or announce such Inflation Index then the Calculation Agent shall determine a successor index (a '**Successor Index**') (in lieu of the relevant previously applicable Inflation Index) for the purposes of the Notes by using the following methodology:

(i) if no Inflation Index Cancellation (as defined below) has occurred and a notice has been given or an announcement has been made by the relevant Index Sponsor specifying that such Inflation Index will be superseded by a replacement index specified by the relevant Index Sponsor and the Calculation Agent determines that such replacement Inflation Index is calculated and announced using the same or substantially similar formula or method of calculation as used in

[13] Details of the CPI Monthly Reference Index can be obtained from: http://www.insee.fr/en/themes/theme.asp?theme=17&sous_theme=1&nivgeo=0&type=2.
[14] https://ec.europa.eu/eurostat/web/main/data/database.

the calculation of the previously applicable Inflation Index, such replacement index shall be the Successor Index for such Inflation Index for the purposes of the Notes from the date that such Successor Index comes into effect; or

(ii) if no Inflation Index Cancellation (as defined below) has occurred and if a Successor Index is not determined pursuant to paragraph (i) above by the relevant Interest Determination Date, the Calculation Agent will determine an appropriate alternative index for the affected Interest Determination Date and such index will be deemed to be the Successor Index for such Inflation Index with respect to the affected Interest Determination Date.

If the Calculation Agent determines that there is no appropriate alternative index, there will be deemed to be no Successor Index for such Inflation Index (an '**Inflation Index Cancellation**') and, on giving notice to Noteholders in accordance with Condition 14, the Issuer shall redeem all, but not some, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the applicable Final Terms, accrued interest.

Notice of the determination of a Successor Index and the date from which such index becomes the Successor Index or any Inflation Index Cancellation will be given to Noteholders by the Issuer in accordance with Condition 14.

In relation to an Inflation Index, either (i) the first publication and announcement of a level of such Inflation Index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations ('**No Revision**') or (ii) the first publication or announcement of a level of such Inflation Index, or, if revised, any subsequent revisions of such level for a Reference Month shall be final and conclusive, provided that such revisions are published or announced up to and including the relevant Revision Cut-off Date (as defined below) ('**Revision**'), as specified in the applicable Final Terms provided that if neither No Revision nor Revision is specified in the applicable Final Terms, No Revision shall be deemed to apply for such Inflation Index.

If, in respect of an Interest Determination Date and a Relevant Level in respect of such Interest Determination Date, the Calculation Agent determines that the relevant Index Sponsor has corrected such Relevant Level to remedy a manifest error in its original publication, prior to the earlier of thirty days following publication of such Relevant Level and the Manifest Error Cut- off Date for such Interest Determination Date the Calculation Agent may use such corrected Relevant Level to calculate any payments under the Notes in respect of such Interest Determination Date. Corrections published on or after the earlier of thirty days following publication of such Relevant Level and the Manifest Error Cut-off Date for such Interest Determination Date will be disregarded by the Calculation Agent for the purposes of determining any payments under the Notes.

If the Calculation Agent determines that an Inflation Index has been or will be rebased at any time, such Inflation Index as so rebased (the '**Rebased Index**') will be used for purposes of determining any Relevant Level in respect of such Inflation Index from the date of such rebasing; provided, however, that the Calculation Agent shall make such adjustments to the levels of such Rebased Index so that such Rebased Index levels reflect the same rate of inflation as the relevant Inflation Index before it was rebased.

The following expressions have the following meanings in the context of Inflation Linked Notes only:

'**Index Sponsor**' means in relation to an Inflation Index, the entity that publishes or announces (directly or through an agent) the level of such Inflation Index, as specified in the applicable Final Terms;

'**Base Level**' means, in respect of an Inflation Index, the level of such Inflation Index (excluding any 'flash' estimates) published or announced by the relevant Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined;

'**Latest Level**' means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any 'flash' estimates) published or announced by the relevant Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined;

'**Reference Level**' means, in respect of an Inflation Index, the level of such Inflation Index (excluding any 'flash' estimates) published or announced by the relevant Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in the definition of 'Latest Level' above;

'**Manifest Error Cut-off Date**' means, in respect of an Interest Determination Date, two Business Days prior to such Interest Determination Date;

'**Reference Month**' means, in respect of an Inflation Index, the calendar month for which the level of such Inflation Index was reported, regardless of when this information is published or announced. If the period for which the Inflation Index level was reported is a period other than a month, the Reference Month shall be the period for which the Inflation Index level was reported; and

'**Revision Cut-off Date**' means, in respect of an Inflation Index and a level of such Inflation Index for a Reference Month, the day that is two Business Days prior to any relevant Interest Determination Date.

(f) Replacement Reference Rate

This Condition 5.2(f) shall apply to all Notes where Condition 5.2(f) is specified as applicable in the applicable Final Terms.

The interest payable on the Notes may, if so determined in the applicable Final Terms, be determined by reference to EURIBOR, Compounded Daily SONIA, Compounded Daily €STR or by the use of Reference Price, CMS Rate1 and CMS Rate2, CPI Monthly Reference Index or HICP Index (each of these indices as well as any substitute, alternative or successor rate determined in accordance with this Condition 5.2(f), an '**Original Reference Rate**'), and in each case in accordance with the respective applicable sub-paragraph (b), (c), (d) and (e) of this Condition 5.2 above.

Notwithstanding the provisions above in this Condition 5.2 (including, for the avoidance of doubt, any fallback provisions in the applicable ISDA Definitions (2006 ISDA Definitions or 2021 ISDA Definitions), as applicable), if the Calculation Agent or the Issuer determines at any time prior to, on or following any Interest Determination Date, that a Benchmark Event (as defined below) has occurred in relation to certain Notes, the Issuer may, as soon as reasonably practicable (and in any event prior to the next relevant Interest Determination Date), appoint an agent (the '**Rate Determination Agent**'), which will in respect of such Notes determine, acting in good faith and in consultation with the Issuer, whether a substitute, alternative or successor rate for purposes of determining the Rate of Interest in respect of each Interest Determination Date falling on such date or thereafter that is substantially comparable to the Original Reference Rate is available, or whether a substitute, alternative or successor has been recommended or selected by the monetary authority or similar authority (or working group thereof) in the jurisdiction of the applicable currency, or widely recognized industry association or body, is available or whether a substitute, alternative or successor rate has developed or is expected to develop in an industry accepted rate for debt market instruments such as or comparable to the relevant Notes is available.

Without prejudice to the foregoing, if the Original Reference Rate is EURIBOR, the Rate Determination Agent is expected to first explore the option of selecting €STR or a term rate based on €STR as the Replacement Reference Rate (as defined below).

If the Rate Determination Agent has determined a substitute, alternative or successor rate in accordance with the above (such rate as determined by the Rate Determination Agent, the '**Replacement Reference Rate**') for purposes of determining the Rate of Interest on each Interest Determination Date falling at least five business days after such determination, (A) the Rate Determination Agent will also in consultation with the Issuer determine any necessary changes to the business day convention, the definition of business day, the interest determination date, the day count fraction, the relevant screen page and any method for calculating the Replacement Reference Rate, including any Adjustment Spread (as defined below) or other adjustment factor needed to make such Replacement Reference Rate comparable to the relevant Original Reference Rate (in each case in a manner that is consistent with industry-accepted practices for such Replacement Reference Rate), although there is no guarantee that such an Adjustment Spread or other adjustment factor will be determined or applied, or that the application of any such factor will either reduce or eliminate economic prejudice to Noteholders; (B) references to the Original Reference Rate in these Conditions applicable to the relevant Notes will be deemed to be references to the relevant Replacement Reference Rate, including

any alternative method for determining such rate as described in (A) above (including the Adjustment Spread); (C) the Rate Determination Agent will (again) notify the Issuer of the foregoing as soon as reasonably practicable; and (D) the Issuer will give notice as soon as reasonably practicable to the Principal Paying Agent, the Calculation Agent and the Noteholders (in accordance with Condition 14), specifying the Replacement Reference Rate, as well as the details described in (A) above and the effective date thereof. The Issuer may, without the consent of any or all Noteholders, make any amendments to these Conditions in relation to the relevant Notes that are necessary to ensure the proper operation of the foregoing.

For the avoidance of doubt if a Replacement Reference Rate is determined by the Rate Determination Agent in accordance with this Condition 5.2(f), this Replacement Reference Rate will be applied to all relevant future payments on the relevant Notes, subject to Condition 5.2. For the avoidance of doubt, this Condition 5.2(f) may be (re-)applied if a Benchmark Event has occurred in respect of the Replacement Reference Rate.

The determination of the Replacement Reference Rate and the other matters referred to above by the Rate Determination Agent will (in the absence of manifest error) be final and binding on the Issuer, the Principal Paying Agent, the Calculation Agent, the Noteholders, Receiptholders and Couponholders and no liability to any such person will attach to the Rate Determination Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes in the absence of bad faith or fraud. If the Rate Determination Agent is unable to or otherwise does not determine a Replacement Reference Rate, then the Original Reference Rate (as stated in the applicable Final Terms) or screen rate will remain the rate in effect (but subject to the other provisions of Condition 5.2) in respect of the relevant Interest Determination Date, and any subsequent Interest Determination Dates will remain subject to the operation of the provisions of this Condition 5.2. In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 5.2(f), *mutatis mutandis*, on one or more occasions until a Replacement Reference Rate has been determined and notified in accordance with this Condition 5.2(f) (and, until such determination and notification (if any), the fallback provisions provided elsewhere in these Terms and Conditions will continue to apply).

For the avoidance of doubt, each Noteholder, Receiptholder and Couponholder shall be deemed to have accepted the Replacement Reference Rate and such other changes made pursuant to this paragraph (f) and no consent or approval of any Noteholder, Receiptholder or Couponholder shall be required.

The Rate Determination Agent will (i) be (A) a major bank or broker-dealer in the principal financial center of the Specified Currency as appointed by the Issuer, or (B) the Issuer; and (ii) if required, have the necessary license to act as such Rate Determination Agent.

The expression '**Adjustment Spread**' means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Rate Determination Agent and acting in good faith, determines is required to be applied to the Replacement Reference Rate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders, Receiptholders and Couponholders as a result of the replacement of the Original Reference Rate with the Replacement Reference Rate and is the spread, formula or methodology which:

(A) is formally recommended in relation to the replacement of the Original Reference Rate with the Replacement Reference Rate by any competent authority, any working group in the jurisdiction of the applicable currency sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof, or any widely recognised industry association or body; or (if no such recommendation has been made);

(B) the Rate Determination Agent determines and acting in good faith, is recognized or acknowledged as being the industry standard for debt market instruments such as or comparable to the Notes or for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Replacement Reference Rate; or (if the Rate Determination Agent determines that no such industry accepted standard is recognized or acknowledged);

(C) the Rate Determination Agent, in its discretion and acting in good faith, determines to be appropriate.

The expression '**Benchmark Event**' means:

(A) the Original Reference Rate has ceased to be an industry accepted rate for debt market instruments (as determined by the Rate Determination Agent (or if not yet appointed, the Issuer) and acting in good faith and in a commercially reasonable manner) such as, or comparable to, the Notes; or

(B) it has become unlawful or otherwise prohibited (including, without limitation, for the Calculation Agent) pursuant to any law, regulation or instruction from a competent authority, to calculate any payments due to be made to any Noteholder, Receiptholder and Couponholder using the Original Reference Rate or otherwise make use of the Original Reference Rate with respect to the Notes; or

(C) the Original Reference Rate has ceased to be published for a period of at least five Business Days or ceased to exist; or

(D) a public statement is made by the administrator of the Original Reference Rate or its supervisor that (i) by a specified date within the following six months the Original Reference Rate will be materially changed, no longer be representative, cease to be published, be discontinued or be prohibited from being used or that its use will be subject to restrictions or adverse consequences (for the avoidance of doubt, in case the specified date lies more than six months after the date the public statement is made, this event will be deemed to occur as of the date such specified date lies within the following six months) or (ii) the Original Reference Rate has materially changed, is no longer representative, has ceased to be published, is discontinued or is prohibited from being used or that its use is subject to restrictions or adverse consequences,

provided that, in respect of Compounded Daily €STR, if any event above qualifies as or otherwise occurs simultaneously with an €STR Index Cessation Event, such event is not to be deemed a Benchmark Event, unless the Rate of Interest cannot be determined in accordance with Condition 5.2(b)(vi) (in which case, such event shall be deemed a Benchmark Event).

(g) Benchmark Discontinuation SOFR (*ARRC Fallbacks*)

This Condition 5.2(g) shall apply to all Notes where Condition 5.2(g) is specified to be applicable in the applicable Final Terms.

Notwithstanding the provisions above in this Condition 5.2, if for any Interest Determination Date the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark (including any daily published component used in the calculation thereof), the Issuer shall use reasonable endeavours, as soon as reasonably practicable, to appoint an Independent Adviser to determine (in consultation with the Issuer) the Benchmark Replacement which will replace the then-current Benchmark (or such component) for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent Interest Determination Dates (subject to the subsequent operation of this provision).

In connection with the implementation of a Benchmark Replacement, the Independent Adviser, in consultation with the Issuer, will have the right to make Benchmark Replacement Conforming Changes from time to time.

Any determination, decision or election that may be made by the Independent Adviser, in consultation with the Issuer, pursuant to this section, including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(i) will be conclusive and binding absent manifest error;

(ii) will be made in the sole discretion of the Independent Adviser, in consultation with the Issuer, as applicable; and

(iii) notwithstanding anything to the contrary in these Conditions, shall become effective without consent from the holders of the Notes or any other party (including the Calculation Agent and the Agents).

Where the Reference Rate is specified in the applicable Final Terms as being SOFR Average and if the Issuer is not able to appoint an Independent Adviser or the Independent Adviser does not determine and give notice to the

Calculation Agent of a Benchmark Replacement as provided above five business days prior to the next Interest Determination Date, then SOFR Average shall be determined by the Issuer in accordance with USD-SOFR-COMPOUND or USD-SOFR-OIS Compound (as applicable) as defined in the applicable ISDA Definitions.

Where:

'**Benchmark**' means, initially, Compounded Daily SOFR or SOFR Average as such terms are defined above; provided that if for any Interest Determination Date the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded Daily SOFR or SOFR Average, as the case may be (including any daily published component used in the calculation thereof) or the then-current Benchmark, then 'Benchmark' means the applicable Benchmark Replacement;

'**Benchmark Replacement**' means:

the first alternative set forth in the order below that can be determined by the Independent Adviser, in consultation with the Issuer, as of the Benchmark Replacement Date:

(A) the sum of: (a) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) and (b) the Benchmark Replacement Adjustment

(B) the sum of: (a) the ISDA Fallback Rate and (b) the ISDA Fallback Adjustment; or

(C) the sum of: (a) the alternate reference rate that has been selected by the Independent Adviser, in consultation with the Issuer, as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (or such component) for U.S. dollar denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

'**Benchmark Replacement Adjustment**' means the first alternative set forth in the order below that can be determined by the Independent Adviser, in consultation with the Issuer, as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement; or

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Independent Adviser, in consultation with the Issuer, giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate notes at such time;

'**Benchmark Replacement Conforming Changes**' means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts and other administrative matters (including changes to the fallback provisions)) that the Independent Adviser, in consultation with the Issuer, decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser, in consultation with the Issuer, decides that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser, in consultation with the Issuer, determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Independent Adviser, in consultation with the Issuer, determines is reasonably necessary);

'**Benchmark Replacement Date**' means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(i) in the case of clause (i) or (ii) of the definition of '**Benchmark Transition Event**', the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark (or such component) permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of clause (iii) of the definition of '**Benchmark Transition Event**', the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

'**Benchmark Transition Event**' means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component) announcing that the Benchmark (or such component) is no longer representative;

'**Independent Adviser**' means a reputable independent financial institution or other reputable independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

'**ISDA Definitions**' means either (i) the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the '**2006 ISDA Definitions'**) or (ii) the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (as published by ISDA as at the Issue Date of the first Tranche of the Notes of the relevant Series), as specified in the applicable Final Terms (the '**2021 ISDA Definitions'**), as specified in the applicable Final Terms;

'**ISDA Fallback Adjustment**' means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the applicable ISDA Definitions to be determined upon the occurrence of an index cessation event;

'**ISDA Fallback Rate**' means the rate that would apply for derivatives transactions referencing the applicable ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Benchmark (including any daily published component used in the calculation thereof) of the applicable tenor excluding any applicable ISDA Fallback Adjustment;

'**Reference Time**' with respect to any determination of the Benchmark means the SOFR Determination Time, or (if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred), the time determined by the Independent Adviser, in consultation with the Issuer, after giving effect to the Benchmark Replacement Conforming Changes;

'**Relevant Governmental Body**' means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

'**Unadjusted Benchmark Replacement**' means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

In the event Compounded Daily SOFR or SOFR Average cannot be determined in accordance with the foregoing provisions, Compounded Daily SOFR or SOFR Average, as the case may be, will be (i) that determined at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest (minus the Margin) which would have been applicable to the Notes for the scheduled first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on, and excluding, the Interest Commencement Date.

(h) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be less than such Minimum Rate of Interest and/or if it specifies a Maximum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be greater than such Maximum Rate of Interest.

(i) Determination of Rate of Interest and Calculation of Interest Amount

The Principal Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of FX Linked Interest Notes, Inflation Linked Notes and CMS Linked Notes, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of FX Linked Interest Notes, Inflation Linked Notes and CMS Linked Notes the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Paying Agent or the Calculation Agent, as applicable, will calculate the amount of interest (the '**Interest Amount**') payable on the Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes which are represented by a Global Note, the aggregate outstanding principal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(B) in the case of Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes in definitive form, the Calculation Amount;

(C) and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note, an FX Linked Interest Note, an Inflation Linked Notes or a CMS Linked Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

'**Day Count Fraction**' means, in respect of the calculation of an amount of interest in accordance with this Condition 5.2:

(i) if '**Actual/Actual(ISDA)**' or '**Actual/Actual**' is specified in the applicable Final Terms, the actual number of days in the 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);

(ii) if '**Actual/365 (Fixed)**' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iii) if '**Actual/365 (Sterling)**' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if '**Actual/360**' is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(v) if '**30/360**', '**360/360**' or '**Bond Basis**' is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2-Y_1)]+[30\times(M_2-M_1)]+(D_2-D_1)}{360}$$

where:

'$\mathbf{Y_1}$' is the year, expressed as a number, in which the first day of the Interest Period falls;

'$\mathbf{Y_2}$' is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

'$\mathbf{M_1}$' is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

'$\mathbf{M_2}$' is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

'$\mathbf{D_1}$' is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

'$\mathbf{D_2}$' is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(vi) if '**30E/360**' or '**Eurobond Basis**' is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2-Y_1)]+[30\times(M_2-M_1)]+(D_2-D_1)}{360}$$

where:

'$\mathbf{Y_1}$' is the year, expressed as a number, in which the first day of the Interest Period falls;

'$\mathbf{Y_2}$' is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

'$\mathbf{M_1}$' is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

'$\mathbf{M_2}$' is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

'$\mathbf{D_1}$' is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

'$\mathbf{D_2}$' is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

(vii) if '**30E/360 (ISDA)**' is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\times(Y_2-Y_1)]+[30\times(M_2-M_1)]+(D_2-D_1)}{360}$$

where:

'$\mathbf{Y_1}$' is the year, expressed as a number, in which the first day of the Interest Period falls;

'$\mathbf{Y_2}$' is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

'$\mathbf{M_1}$' is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

'$\mathbf{M_2}$' is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

'$\mathbf{D_1}$' is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

'$\mathbf{D_2}$' is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(j) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified to be applicable in the relevant Final Terms) or the EURIBOR Rate (where ISDA Determination is specified to be applicable in the relevant Final Terms), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

'**Applicable Maturity**' means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(k) Notification of Rate of Interest and Interest Amounts

The applicable Principal Paying Agent or the Calculation Agent, as applicable, for each Series will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fifth Business Day prior to the Interest Payment Date immediately preceding the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

(l) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5.2 by the Principal Paying Agent for each Series

or, if applicable, the Calculation Agent shall (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the applicable Principal Paying Agent, the Calculation Agent, if applicable, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the applicable Principal Paying Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

5.3 Interest on Dual Currency Notes

In the case of Dual Currency Notes payments by the Issuer of interest and/or principal (as specified in the applicable Final Terms) will be made in another currency or currencies than the Specified Currency. Such currency or currencies and the Rate of Exchange used to calculate payments of interest or principal will be specified in the applicable Final Terms.

5.4 Interest on Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up principal amount of such Notes.

5.5 Accrual of Interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue 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 has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 or individually.

6. PAYMENTS

6.1 Method of Payment

Subject as provided below:

(a) payments in a Specified Currency other than Euro will be made by transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or by a check in such Specified Currency drawn on a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney); and

(b) payments in Euro 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 or, at the option of the payee, by a Euro cheque.

6.2 Payments subject to fiscal and other laws

Payments will be subject in all cases to (i) any fiscal or other laws, regulations and directives applicable thereto; and (ii) any withholding or deduction 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, any official interpretations thereof, or any law implementing an intergovernmental approach thereto and, in each case, no additional amounts will be paid with respect to any Taxes except as specifically provided under the provisions of Condition 8.

6.3 Presentation of Definitive Bearer Notes, Receipts and Coupons

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 6.1 above only against surrender of Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used in this section, includes the States and the District of Columbia and its possessions)).

Payments of installments of principal (if any) in respect of Definitive Bearer Notes, other than the final installment, will (subject as provided below) be made in the manner provided in Condition 6.1 above against presentation and surrender of the relevant Receipt. Payment of the final installment will be made in the manner provided in Condition 6.1 above against surrender of the relevant Bearer Note. Each Receipt must be presented for payment of the relevant installment together with the Definitive Bearer Note to which it appertains. Receipts presented without the Definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes represented by a Definitive Bearer Note (other than Dual Currency Notes, FX Linked Notes and Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons) at the specified office of any Paying Agent outside U.S., failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five years after the date on which such principal first became due (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note represented by a Definitive Bearer Note becoming due and repayable prior to its Maturity Date, all unmatured Receipts and Talons (if any) appertaining thereto will become void and no payments in respect of any such Receipts and no further Coupons in respect of any such Talons will be made or issued, as the case may be.

Upon the date on which any Floating Rate Note, FX Linked Note, Inflation Linked Note, CMS Linked Note, Dual Currency Note or Long Maturity Note represented by a Definitive Bearer Note becomes due and repayable, unmatured Receipts, Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. Where any such Bearer Note is presented for redemption without all unmatured Receipts, Coupons or Talons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require. A '**Long Maturity Note**' is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose principal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the principal amount of such Note.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

6.4 Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Bearer Global Note will (subject as provided therein) be made in the manner specified above in relation to Definitive Bearer Notes against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

6.5 Payments in respect of Registered Notes

Payments of principal (other than installments of principal prior to the final installment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the '**Register**') (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg and/or DTC, as applicable, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (a) a holder does not have a Designated Account or (b) the principal amount of the Notes held by a holder is less than U.S. $250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a check in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, '**Designated Account**' means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and Designated Bank means (in the case of payment in a Specified Currency other than Euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) and (in the case of a payment in Euro) any bank which processes payments in Euro.

Payments of interest and payments of installments of principal (other than the final installment) in respect of each Registered Note (whether or not in global form) will be made by a check in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg and/or DTC, as applicable, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the '**Record Date**') at the holder's address shown in the Register on the Record Date and at the holder's risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and installments of principal (other than the final installment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final installment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a check posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. Dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. Dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

6.6 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to the holder of such Global Note in respect of each

amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular principal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer to the holder of such Global Note. No person other than the holder of such Global Note shall have any claim against the Issuer in respect of any payments due on that Global Note.

Notwithstanding the foregoing provisions of Conditions 6.3 and 6.4 above, U.S. Dollar payments of principal and interest in respect of Bearer Notes may be made at the specified office of a Paying Agent in the United States if:

(a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. Dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

(b) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and

(c) such payment is then permitted under U.S. law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

Payment to the Principal Paying Agent by the Issuer and the receipt by the Principal Paying Agent of the due and punctual payment of funds shall be deemed to satisfy the obligations of the Issuer under the Notes for the purposes of payment of principal and interest due on the respective payment dates to the extent of such payments.

6.7 Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes '**Payment Day**' means any day which is:

(a) 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:

(i) the case of Notes in definitive form only, the relevant place of presentation; and

(ii) any 'Financial Centre' specified in the applicable Final Terms;

(b) either (1) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney), or (2) in relation to any sum payable in Euro, a day on which the TARGET System is open; and

(c) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. Dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. Dollars, a day on which commercial banks are not authorized or required by law or regulation to be closed in New York City.

6.8 Interpretation of Principal and Interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 8;

(b) the Final Redemption Amount of the Notes;

(c) the Early Redemption Amount of the Notes;

(d) the Optional Redemption Amount(s) (if any) of the Notes;

(e) in relation to Installment Notes, the Installment Amounts;

(f) in relation to Zero Coupon Notes, the Amortized Face Amount; and

(g) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

6.9 Alternative Currency

If the Issuer is due to make any payment in a currency in respect of any Notes and such currency (the '**Original Currency**') is not available on the foreign exchange markets due to the imposition of exchange controls or due to the Original Currency's replacement or disuse or other circumstances beyond the Issuer's control, the Issuer will be entitled to satisfy its obligation in respect of that payment by making that payment in another currency (the '**Alternative Currency**') if so specified in the applicable Final Terms. The applicable exchange rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner. Any payment made by the Issuer under such circumstances in the Alternative Currency shall constitute valid payment and shall not constitute an Event of Default (as defined in Condition 10).

7. REDEMPTION AND PURCHASE

7.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be fully redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

7.2 Redemption for Tax Reasons

Unless this Condition is stated in the applicable Final Terms not to apply, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Notes other than Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes) or on any Interest Payment Date (in the case of Floating Rate Notes, FX Linked Interest Notes, Inflation Linked Notes or CMS Linked Notes), on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) if, on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8(b) as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of this Base Prospectus.

Each Note redeemed pursuant to this Condition 7.2 will be redeemed at its Early Redemption Amount referred to in Condition 7.5 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

7.3 Redemption at the Option of the Issuer ('Issuer Call Option')

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

(a) not less than 5 Business Days nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and

(b) not less than 5 Business Days before the giving of the notice referred to in (a), notice to the Principal Paying Agent for such Series and, in the case of a redemption of Registered Notes, the Registrar,

(both of which notices shall be irrevocable), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a principal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, both as specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ('**Redeemed Notes**') will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear, Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or DTC, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the '**Selection Date**'). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 5 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this Condition 7.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

7.4 Redemption of Notes at the Option of the Noteholders ('Investor Put Option')

If 'Investor Put Option' is specified in the applicable Final Terms the holder of any Note has an option to redeem upon giving the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice and, if the Note that is the subject of a Put Notice is held in global form through Euroclear or Clearstream, Luxembourg, not less than 15 business days' notice, as specified in the applicable Final Terms (which notice shall be irrevocable). The Issuer will, upon the expiry of such notice, redeem, such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 7.4 in any multiple of their lowest Specified Denomination.

If the Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of the Note its holder must deliver at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a '**Put Notice**') and in which the holder must specify a bank account (or, if payment is by check, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the principal amount thereof to be redeemed and, if less than the full principal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If the Note is in definitive bearer form, the Put Notice must be accompanied by the Note or evidence satisfactory to the Paying Agent concerned that the Note will, following delivery of the Put Notice, be held to its order or under its control. If the Note is represented by a Global Note or is in definitive form and held through Euroclear, Clearstream, Luxembourg or DTC, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg and DTC (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg, or DTC or any common depositary or common safekeeper, as the case may be, for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg or DTC from time to time and, if the Note is represented by a Global Note the terms of which require presentation for recording changes to its principal amount, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly.

So long as Bearer Notes issued in accordance with the TEFRA D Rules are represented by a Temporary Global Note, an Investor Put Option shall not be available unless the certification required under the TEFRA D Rules with respect to non-U.S. beneficial ownership has been received by the Issuer or the Paying Agent.

Any Put Notice given by a holder of any Note pursuant to this Condition shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition and instead to declare such Note forthwith due and payable pursuant to Condition 10.

7.5 Early Redemption Amounts

For the purpose of Condition 7.2 above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

(a) in the case of a Note (other than a Zero Coupon Note but including an Installment Note and a Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the principal amount or which is payable in a Specified Currency other than that in which the Note is denominated, at the Early Redemption Amount specified in the applicable Final Terms or, if no such amount is specified in the applicable Final Terms, at its principal amount; or

(b) in the case of a Zero Coupon Note, at an amount (the '**Amortized Face Amount**') calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = RP \times (1 + AY)^{y}$$

where:

'**RP**' means the Reference Price as specified in the Final Terms; and

'**AY**' means the Accrual Yield as specified in the Final Terms; and

'**y**' is a fraction the numerator of which is equal to the number of days (calculated on the basis of a Day Count Fraction (specified in the applicable Final Terms and further explained in Condition 5.1 and 5.2), or if none is specified in the applicable Final Terms, a 360 day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is calculated on the basis of a Day Count Fraction specified in the applicable Final Terms, or if none is specified in the applicable Final Terms, 360; or

(c) in any other case, at the Final Redemption Amount specified in the applicable Final Terms or if no such amount is specified in the applicable Final Terms, at its principal amount.

7.6 Installments

Installment Notes will be repaid in the '**Installment Amounts**' and on the '**Installment Dates**' both as specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 7.5 above.

7.7 Partly Paid Notes

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise at the paid-up nominal amount of such Notes. While any Part Payment Amount due from the holder of Partly Paid Notes is overdue, no interest in a Global Note representing such Notes may be exchanged for Definitive Notes (as the case may be). If any Noteholder fails to pay any Part Payment Amount due on any Partly Paid Notes on any corresponding Part Payment Date, the Issuer may forfeit such Notes and shall have no further obligation to such Noteholder.

7.8 Redemption of FX Linked Redemption Notes

This Condition 7.8 is only applicable in relation to FX Linked Redemption Notes. Unless previously redeemed, or purchased and cancelled, each nominal amount of the Notes equal to the Calculation Amount will be redeemed by the Issuer at their FX Linked Redemption Amount (as defined below) on the Maturity Date at the Final FX Linked Redemption Amount. The Final FX Linked Redemption Amount will be determined in the manner specified below:

Final FX Linked Redemption Amount = 100% x Reference Price/ FX Level2

where:

'**Reference Price**' means, in relation to a relevant Final Redemption Determination Date, an amount equal to the arithmetic mean of the offered rate and bid rate of exchange appearing on the Relevant FX Screen Page at the Relevant Time on that relevant Final Redemption Determination Date for the exchange of such Specified Currency into the Base Currency (expressed as the number of units (or part units) of the Specified Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic average (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Specified Currency/Base Currency exchange rates (expressed as aforesaid) at the Relevant Time on such relevant Final Redemption Determination Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent).

'**Final Redemption Determination Date**' is the date specified in the applicable Final Terms;

'**Relevant FX Screen Page**' has the meaning given in the applicable Final Terms;

'**Relevant Time**' is the time specified in the applicable Final Terms;

'**Base Currency**' has the meaning specified in the applicable Final Terms;
and

'**FX Level 2**' shall be an exchange rate level specified in the applicable Final Terms.

7.9 Automatic Early Redemption

If Automatic Early Redemption is specified to be applicable in the applicable Final Terms, unless previously redeemed or purchased and cancelled, if on any Interest Determination Date or during any Automatic Early Redemption Observation Period an Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on a date specified by the Issuer to the Noteholders in a notice provided to the Noteholders, in accordance with Condition 14, within the Notice Period specified in the applicable Final Terms which shall be not less than 5 nor more than 30 days after the Automatic Early Redemption Event has occurred. In any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.

'**Automatic Early Redemption Amount**' means, if Automatic Early Redemption is specified as being applicable in the Final Terms an amount specified as such in the applicable Final Terms;

'**Automatic Early Redemption Event**' means, if Automatic Early Redemption is specified as being applicable in the Final Terms that the Automatic Early Redemption Observation Level is, as specified in the applicable Final Terms, (i) 'greater than', (ii) 'greater than or equal to', (iii) 'less than' or (iv) 'less than or equal to' the Automatic Early Redemption Trigger Level; and

'**Automatic Early Redemption Observation Level**' means, if Automatic Early Redemption is specified as being applicable in the Final Terms the level specified as such in the applicable Final Terms. The Automatic Early Redemption Observation Level may be:

(a) an exchange rate specified in the Final Terms; or

(b) an Aggregate Interest Amount specified in the applicable Final Terms.

If the Automatic Early Redemption Observation Level is specified in the applicable Final Terms as being an exchange rate such rate will be calculated as an amount equal to the arithmetic mean of the offered rate and bid rate of exchange appearing on the relevant FX Screen Page at the Relevant Time as specified in the applicable Final Terms on an Interest Determination Date for the exchange of the Specified Currency into the Base Currency (expressed as the number of units (or part units) of the Specified Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic average (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Specified Currency/Base Currency exchange rates (expressed as aforesaid) at the Relevant Time as specified in the applicable Final Terms on an Interest Determination Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent).

If the Automatic Early Redemption Observation Level is specified in the applicable Final Terms as being an Aggregate Interest Amount such amount will be calculated as the sum of (i) the Interest Amount (per Calculation Amount) on any Interest Determination Date and (ii) all previously accrued Interest Amounts (per Calculation Amount) for the applicable Tranche of Notes.

'**Automatic Early Redemption Observation Period**' means if Automatic Early Redemption is specified as being applicable in the Final Terms, the period described as such in the applicable Final Terms.

'**Automatic Early Redemption Trigger Level**' means, if Automatic Early Redemption is specified as being applicable in the Final Terms, the trigger level specified as such in the applicable Final Terms. The Automatic Early Redemption Trigger Level may be:

(a) an exchange rate specified in the Final Terms; or

(b) a Target Redemption Amount specified in the applicable Final Terms.

If the Automatic Early Trigger Level is specified in the applicable Final Terms as being an exchange rate such rate will be calculated as an amount equal to the arithmetic mean of the offered rate and bid rate of exchange appearing on the relevant FX Screen Page at the Relevant Time as specified in the applicable Final Terms on an Interest Determination Date for the exchange of the Specified Currency into the Base Currency (expressed as the number of units (or part units) of the Specified Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic average (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Specified Currency/Base Currency exchange rates (expressed as aforesaid) at the Relevant Time as specified in the applicable Final Terms on an Interest Determination Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent).

If the Automatic Early Trigger Level is specified in the applicable Final Terms as being a Target Redemption Amount the Target Redemption Amount will be specified in the applicable Final Terms in the Specified Currency.

'**Base Currency**' has the meaning specified in the applicable Final Terms.

7.10 Purchases

The Issuer or any of its subsidiaries may at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, re-issued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

7.11 Cancellation

All Notes which are redeemed will subject to Condition 7.10 above forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 6.9 above (together with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be re-issued or resold.

7.12 Late Payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Conditions 7.1, 7.2, 7.3 or 7.4 above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 7.5(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable has been received by the Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 14.

8. TAXATION

All payments of principal and interest in respect of the Notes, Receipts, Talons and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on the account of any present or future taxes or duties, assessments or governmental charges of whatever nature (collectively, '**Taxes**'), unless such withholding or deduction is required by law. In the event the withholding or deduction of such Taxes is imposed or levied by the Netherlands or any political subdivision or any authority thereof or therein having power to tax, the Issuer will, depending on which provision is specified in the applicable Final Terms either:

(a) make the required withholding or deduction of such Taxes for the account of the holders of the Notes, Receipts, Talons or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts, Talons or Coupons; or

(b) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts, Talons or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts, Talons or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt, Talon or Coupon:

i. to a Noteholder, Receiptholder or Couponholder who is liable for such Taxes in respect of such Note, Receipt or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or

ii. to a Noteholder, Receiptholder or Couponholder 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 who could avoid such withholding or deduction by providing information or a certification concerning nationality, residence, or identity or satisfying any other information or reporting requirement imposed by the relevant tax authority; or

iii. presented for payment, where presentation is required, more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day; or

iv. where such withholding or deduction is in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property tax or any similar tax, assessment or governmental charge; or

v. where such withholding or deduction is required to be made pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*), as amended.

In addition, additional amounts will not be paid with respect to any payment of the principal of, or any premium or interest on, the Notes, Receipts, Coupons or Talons to any Noteholder, Receiptholder or Couponholder that is a fiduciary, a partnership, a limited liability company or any person other than the sole beneficial owner of such payment to the extent such payment would be required under Dutch tax laws to be included in the income of a beneficiary or

settlor with respect to such fiduciary, a member of such partnership, an interest holder in such limited liability company or a beneficial owner that would not have been entitled to such additional amounts had such beneficiary, settlor, member, interest holder or beneficial owner been the Noteholder, Receiptholder or Couponholder of the relevant Notes, Receipts, Coupons or Talons.

As used herein, the '**Relevant Date**' means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received and notice to that effect is duly given to the Noteholders in accordance with Condition 14.

Any reference in these Terms and Conditions to principal and/or interest in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 8 or any undertaking given in addition thereto or in substitution therefore.

9. PRESCRIPTION

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of five years (in the case of both principal and interest) after the Relevant Date (as defined in Condition 8) therefore.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5.2 or any Talon which would be void pursuant to Condition 6.3.

10. EVENTS OF DEFAULT

If any one or more of the following events (each an '**Event of Default**') shall have occurred and be continuing:

(a) default is made for more than 14 days in the payment of interest or principal in respect of the Notes; or

(b) the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer of notice requiring the same to be remedied; or

(c) an encumbrancer takes possession of the whole or a major part of the assets of the Issuer, or a distress or execution or other process is levied or enforced upon or sued out against the whole or a major part of the assets of the Issuer or an executory attachment ('*executoriaal beslag*') is made on any major part of the Issuer's assets or a conservatory attachment ('*conservatoir beslag*') is made thereof and in any of the foregoing cases it is not cancelled or withdrawn within 30 days; or

(d) any order is made by any competent court or other authority or resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its assets or the Issuer enters into a composition with its creditors, files a petition for a suspension of payments, admits in writing that it cannot pay its debts generally as they become due, initiates a proceeding in bankruptcy, or is adjudicated bankrupt,

then any Noteholder may, by written notice to the Issuer at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, declare the Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7.5), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

11. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the applicable Principal Paying Agent at its office outside the United States (in the case of Bearer

Notes, Receipts or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. AGENTS

The names of the initial Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(a) so long as the Notes are listed on any stock exchange, or admitted to listing by any other relevant authority there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or listing authority;

(b) there will at all times be a Paying Agent with a specified office in a city in continental Europe;

(c) there will at all times be a Principal Paying Agent and a Registrar; and

(d) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. Dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6.6. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30, nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

13. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent at its office outside the United States in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date (on which the final Coupon comprised in the relative Coupon sheet matures).

14. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published (i) by way of press release, (ii) on the website of the Issuer, (iii) if so specified in the applicable Final Terms, in a leading English language daily newspaper of general circulation in London (which is expected to be the Financial Times), and (iv) if and for so long as the Bearer Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange and such publication is required pursuant to the rules and regulations of the Luxembourg Stock Exchange, in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange (www.bourse.lu). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses

recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, so long as any Global Note(s) representing the Notes is or are held in its or their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC, as applicable, any publication method as referred to in the two paragraphs above may be substituted for the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC, as applicable, for communication by them to the holders of the Notes, to the extent such publication method also complies with the rules of any stock exchange or other relevant authority on which such Notes are for the time being listed or by which they have been admitted to trading. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC, as applicable.

Where the identity of all the holders of the Notes is known to the Issuer, the Issuer may (provided that, in the case of any publication required by a stock exchange or listing authority, that stock exchange or listing authority agrees) give notices individually to such holders in lieu of publication as provided above.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

15. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than five per cent. in principal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts or Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or canceling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

(a) any modification (except as mentioned above) of the Agency Agreement which is, in the sole opinion of the Issuer, not materially prejudicial to the interests of the Noteholders; or

(b) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is, in the sole opinion of the Issuer, of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the Netherlands.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

16. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes, provided that (i) in the case of Notes which were issued in accordance with the TEFRA D Rules that are initially represented by a Temporary Bearer Global Note exchangeable for interests in a Permanent Bearer Global Note or Definitive Bearer Notes, such consolidation can only occur following the exchange of interests in the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note or Definitive Bearer Notes upon certification of non-U.S. beneficial ownership and (ii) in the case of Registered Notes, if such further notes are not fungible with the previously issued Registered Notes for U.S. federal income tax purposes, the further notes will have a separate common code, ISIN, CUSIP and CINS (where applicable) from such numbers assigned to the previously issued Registered Notes.

17. GOVERNING LAW AND SUBMISSION TO JURISDICTION

The Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, the laws of the Netherlands.

The Issuer submits for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders to the jurisdiction of the court (*rechtbank*) and its appellate courts at The Hague, the Netherlands. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Notes, the Receipts and the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Agency Agreement, the Notes, the Receipts and/or the Coupons) may be brought in any other court of competent jurisdiction.

USE OF PROCEEDS

General

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes (which include profit making). The net proceeds from the issue of certain Notes will only be used to finance lending to social housing projects or climate and environmental related projects according to the criteria described in the Green Bond Framework and the SDG Housing Bond Framework, respectively, as specified in the applicable Final Terms.

NWB Frameworks

Green Bonds (Water Bonds)

If so specified in the applicable Final Terms, the proceeds of any 'Green Bonds', which in NWB Bank's case are also referred to as 'Water Bonds' will exclusively be used to fund NWB Bank's lending to the water authorities (*waterschappen*). According to NWB Bank's Green Bond framework eligible loans may include loans that target (a) mitigation of climate change by way of waterway management, (b) adaptation to climate change, including investments in climate-resilient growth or (c) biodiversity, i.e. loans that are related to water related biodiversity projects rather than climate. The Green Bond Framework has last been updated in March 2022 to align with the 2021 ICMA Green Bond Principles and, on a best efforts basis, is aligned with the ongoing work of the EU Commission with respect to the EU Taxonomy Regulation.

Alignment on a best efforts basis means that if NWB Bank issues Green Bonds, NWB Bank will aim to meet the requirements for environmentally friendly sustainable economic activities as set out in the EU Taxonomy Regulation. There may however be instances where NWB Bank, despite its best efforts, cannot meet the requirement of EU Taxonomy alignment, amongst others mainly due to the absence of information as a result of non-disclosing counterparties. Since most of NWB Bank's clients are not required to report under the EU Taxonomy Regulation themselves, NWB Bank will need to make use of estimates or request clients to disclose the required information voluntarily. It may therefore be challenging for NWB Bank to assess and verify alignment of the economic activities funded. As NWB Bank supports the rationale behind the EU Taxonomy Regulation and EuGBS to direct more capital towards sustainable economic activities, NWB Bank actively monitors any developments in the field of EU Taxonomy and EuGBS.

For the Green Bond Framework itself, see: https://nwbbank.com/download_file/GreenbondFramework.pdf.

SDG Housing Bonds

If so specified in the applicable Final Terms, the proceeds of any 'United Nation's Sustainable Development Goals ('**SDG**') Housing Bond' will be used exclusively for financing the social housing sector. According to NWB Bank's SDG Housing Bond framework ('**SDG Housing Bond Framework**') eligible loans consist of loans funded, in whole or in part, by NWB Bank to invest in social housing activities by Dutch Social Housing Organizations ('**SHO**') in the Netherlands, as determined by the WSW and only if such a loan has been approved and guaranteed by the WSW. The SDG Housing Bond Framework has last been updated in 2019 and NWB Bank has selected eight specific SDG's that are associated with the financing of SHO's and their impact drivers. These eight SDG's are the following: (i) SDG 1: no poverty, (ii) SDG 3: good health and wellbeing, (iii) SDG 5: gender equality, (iv) SDG 7: affordable, reliable, sustainable and modern energy for all, (v) SDG 8: decent work and economic growth, (vi) SDG 10: reduced inequality, (vii) SDG 11: sustainable cities and communities, and (viii) SDG 16: peace, justice and strong institutions.

For the SDG Housing Bond Framework itself, see:
https://nwbbank.com/download_file/SDGHousingBondFramework.pdf.

Selection process

The selection process for loans as eligible for the purpose of allocation of proceeds of Green Bonds ('**Eligible Loans**'), or for allocation of proceeds of SDG Housing Bonds ('**Eligible Assets**') is based on the qualification of the relevant borrowers.

Green Bonds (Water Bonds)

Water authorities levy taxes from individuals and the private sector. This counts for more than half of their funding. The remaining funding requirement is raised in the capital markets independently or through NWB Bank. NWB Bank's share of these borrowings is around 90%. The Eligible Loans that NWB Bank provides to the water authorities are for budget financing, as NWB Bank finances the balance sheet activities of the water authorities, not the underlying activities. In addition to these balance sheet activities, there can be administrative expenses and overhead expenses incurred by the water authorities. These expenses are covered by the water authorities' tax income and not by the Eligible Loans provided by NWB Bank.

To ensure that investors' expectations that proceeds will be used for the respective purpose are met, lending of Eligible Loans precedes the issuance of Water Bonds, meaning that Eligible Loans will have been selected prior to the issuance of the Water Bonds. Therefore, all loans provided by NWB Bank to the Dutch water authorities funded with proceeds from the Water Bonds are Eligible Loans.

Eligible Loans are provided to water authorities to carry out legal duties and responsibilities in the fields of (i) mitigation of climate change being waterway management ('**Mitigation Loans**'), (ii) adaptation to climate change, including investments in climate-resilient growth ('**Adaptation Loans**'), and/or (iii) protection and/or restoration of biodiversity and ecosystems, being loans that are related to water related biodiversity projects.

Mitigation Loans have the following EU Taxonomy environmental objectives: climate change mitigation, waterway management, circularity and pollution prevention. The Mitigation Loans can, for instance, be used by water authorities for energy recovery and extraction of phosphor.

SDG Housing Bonds

In the SDG Housing Bond Framework, 'Eligible Assets' can be funded with proceeds from SDG Housing Bonds. Eligible Assets are a selected pool of loans funded, in whole or in part, by NWB that promote the social housing system in the Netherlands as determined by the WSW and meet certain criteria set out below that are determined by the Dutch government and that are updated from time to time. In addition, this pool of loans needs to have been approved and guaranteed by the WSW. Any loans that do not meet the criteria set out below and that are not approved and guaranteed by the WSW do not form part of the selected pool of loans that qualify as Eligible Assets.

To ensure that investors' expectations that proceeds of the SDG Housing Bonds will be used for the respective purpose are met, lending of Eligible Assets precedes the issuance of SDG Housing Bonds, meaning that Eligible Assets will have been selected prior to the issuance of the SDG Housing Bonds. Therefore, all loans from NWB Bank to the Dutch Housing Organizations funded with the proceeds from SDG Housing Bonds are Eligible Assets.

As at the date of this Prospectus, the criteria determined by the Dutch Government are as follows:

- A maximum of 80% of loans provided to social housing providers (only loans approved and guaranteed by the WSW):
    - 85% of the social housing lettings must be given to households with a maximum income of €48,625 (2023) per annum;
    - Rents are capped at €808.06 per month; and
    - A maximum of 7.5% of the yearly social lettings may be allocated freely up to €48,625 or to specific priority groups.

The Eligible Assets also need to promote any of the selected eight specific SDG's which are associated with financing social housing organizations and their impact drivers. The eight SDG's are the following: (i) SDG 1: no poverty, (ii) SDG 3: good health and wellbeing, (iii) SDG 5: gender equality, (iv) SDG 7: affordable, reliable, sustainable and modern energy for all, (v) SDG 8: decent work and economic growth, (vi) SDG 10: reduced inequality, (vii) SDG 11: sustainable cities and communities, and (viii) SDG 16: peace, justice and strong institutions.

Management of proceeds

Green Bonds (Water Bonds)

NWB Bank applies a portfolio approach to its Green Bonds since the Green Bonds issued under the Green Bond Framework fund a portfolio of Eligible Loans. NWB Bank immediately allocates the proceeds of any Green Bond issuance to the Eligible Loan portfolio. NWB Bank's Eligible Loans and Green Bond issuances are earmarked internally by means of a green register. NWB Bank will at all times maintain an outstanding balance of Green Bonds that is smaller than that of the total balance of Eligible Loans minus any co-financing volumes.

SDG Housing Bonds

NWB Bank maintains and monitors a register of Eligible Assets attributable to the proceeds of any SDG Bond issuance. If, at the end of every fiscal quarter, the total amount of proceeds from SDG Bonds exceeds the total value of Eligible Assets, the excess liquidity will be managed in accordance with NWB Bank's liquidity management policy. Despite that 100% of the lending is done to social housing organization's social housing stock, NWB Bank will not qualify more than 80% of their lending to the social housing organization's social housing stock as Eligible Assets, since some of the tenants might improve their living standards but continue living in the social housing stock.

Transparency, impact reporting and external review

NWB Bank will publish and keep available reporting on issuance and impact relating to its Water Bonds and SDG Housing Bonds on an annual basis, through reports accessible on https://nwbbank.com/en/investor-relations/sdg-housing-bonds and https://nwbbank.com/en/investor-relations/water-bonds. Most recently: the SDG Housing Bond Report 2021 ('**SDG Housing Bond Report 2021**') and the Water Bond Report 2021 ('**Water Bond Report 2021**'). NWB Bank will show the impact on an aggregate level for all of its outstanding Water Bonds and for all of its outstanding SDG Housing Bonds, in each case in accordance with the relevant framework. Since Water Bonds and SDG Housing Bonds are not linked to individual assets, loans or projects, such impact will only be reported for NWB Bank's Water Bond loan portfolio and SDG Housing Bond loan portfolio on an aggregated basis. NWB Bank does not measure impact itself. The reporting is based on information provided by umbrella organizations of the water authorities and social housing sector conform the frameworks.

NWB Bank does not report on the envisaged impact prior to the issuance of any Water Bonds or SDG Housing Bonds. This is because NWB Bank is dependent on reporting, both substantively and timing-wise, of its largest customers, i.e. the water authorities and housing associations in the Netherlands or their umbrella organizations. As governmental organizations, these customers themselves are not subject to annual impact reporting requirements under the EU Taxonomy Regulation or any other ESG reporting obligations. These organizations or their umbrella organizations therefore do not publish wider impact reporting on a regular basis that NWB Bank can in turn regularly use for any pre-issuance reporting.

In addition, and as mentioned above, the proceeds of any issuance of Water Bonds or SDG Housing Bonds are not linked to individual assets, loans or projects. These proceeds are used for balance sheet financing by these organizations. To the extent (part of) the proceeds are used for a specific asset, loan or project, these assets, loans or projects generally have a life-span of longer than one year. This means that these organizations do not annually report on the impact of these assets, loans or projects which in turn means that NWB Bank does not have sufficient information for any pre-issuance reporting.

Green Bonds (Water Bonds)

NWB Bank has reported on impact of Water Bonds in its Water Bond Report 2021 based on key performance indicators within three categories: Climate Mitigation, Climate Adaption and Treating Wastewater (see the overview on page 3 and the performance per category: 8-15 (Climate Mitigation), 16-20 (Climate Adaption), 21-25 (Treating Wastewater) of the Green Bond Report 2021).
See: https://nwbbank.com/application/files/7916/5545/2094/NWB_Bank_Newsletter_Waterbonds_2021.pdf.

The Green Bond Framework is assessed by a third party rating agency Cicero, most recently in 2022. The Green Bond Framework was awarded the highest rating of 'Dark Green' shade by Cicero.
See: https://nwbbank.com/application/files/1116/5545/2118/CICERO_Green_SPO_NWB_2022.pdf.

The figures on the Green Bonds presented in the yearly published reports are audited by NWB Bank's statutory auditor (Ernst & Young or any subsequent external auditor).

SDG Housing Bonds

NWB Bank has reported on the impact of SDG Housing Bonds along the lines of seven impact drivers and the eight specific SDG's, identified in its SDG Housing Bond Report 2021 (see the overview on page 3 and the impact per impact driver on pages 12-40 of the SDG Housing Bond Report 2021). See: https://nwbbank.com/application/files/1616/5545/2108/NWB_Bank_Newsletter_Housing_bonds_2021.pdf.

The SDG Housing Bond Framework is assessed by the third party rating agency Sustainalytics, most recently in 2019. Sustainalytics has provided a positive second party opinion on NWB Bank's SDG Housing Bond Framework. See: https://nwbbank.com/application/files/4315/7842/7814/Sustainalytics_Second-party_Opinion_NWB_Bank_SDG_Housing_Bond.pdf).

The figures on the SDG Bonds presented in the yearly published reports are audited by NWB Bank's statutory auditor (Ernst & Young or any subsequent external auditor).

Notice to prospective investors of Green Bonds (Water Bonds) and SDG Housing Bonds

The Green Bond Framework and SDG Housing Bond Framework will be updated on an ongoing basis and may be updated during the validity period of this Base Prospectus. To the extent such update would result in a significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus, the Issuer will prepare a supplement to this Base Prospectus.

Any information contained in or accessible through any website, including https://nwbbank.com/en/investor-relations/sdg-housing-bonds and https://nwbbank.com/en/investor-relations/water-bonds, does not form a part of the Base Prospectus, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus. For the avoidance of doubt, any information included the Green Bond Framework and SDG Housing Bond Framework or any other document mentioned this section "Use of Proceeds" will not be incorporated into, and will not form part of, this Base Prospectus or the relevant Final Terms and has not been scrutinized or approved by the AFM.

No representation or assurance is to be given by the Issuer, the Arranger, any Dealer appointed under the Program or any Paying Agent that the listing or the admission of the Notes as green, social or sustainable may be maintained during the maturity life of any ESG Bonds and that such listing and admission of the Notes satisfies any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations.

NEDERLANDSE WATERSCHAPSBANK N.V.

Overview

NWB Bank is a promotional bank for the public sector primarily in the Netherlands, providing short term and long term financing to water authorities, municipal and provincial authorities as well as to other public sector institutions such as social housing corporations, healthcare and educational institutions. It also provides financing to projects and companies in the public infrastructure and utilities sector, as well as to sustainable energy projects. NWB Bank believes it is a key bank for the Dutch public sector in striving to long-term environmental and social goals by making the best possible use of its financing power, fulfilling a critical role supported by the Dutch State.

As of 31 December 2022, NWB Bank had total assets of €73,285 million (€96,019 million as of 31 December 2021) and total equity of €1,995 million (€1,902 million as of 31 December 2021). In 2022, NWB Bank had net profit of €143 million (€121 million in 2021).

History and Corporate Organization

NWB Bank was established in 1954 as a specialized lending institution to provide Dutch water authorities with long-term and short-term funding at cost-efficient levels. NWB Bank has subsequently extended its lending activities to other public sector entities, particularly municipal and provincial authorities and social housing corporations which are guaranteed (indirectly) by the Dutch State. NWB Bank's long-term debt securities are rated AAA (Stable outlook) by S&P and AAA (Stable outlook) by Moody's. See '*Ratings*' below.

NWB Bank was incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of the Netherlands on 5 May 1954. Its legal name is Nederlandse Waterschapsbank N.V. and its trade name is NWB Bank. The duration of NWB Bank is unlimited. It is registered in the trade register of the Dutch Chamber of Commerce (*Kamer van Koophandel*) for Den Haag under No. 27049562. The Legal Entity Identifier (LEI) of NWB Bank is JLP5FSPH9WPSHY3NIM24. NWB Bank's ownership is restricted to the State of the Netherlands and other Dutch public entities. 81% of NWB Bank's shares are held by 21 water authorities (*waterschappen*), the Dutch State's shareholding is 17% and 9 Dutch provinces hold the remaining 2%. NWB Bank is established in The Hague and has no branches. NWB Bank's business operations are entirely conducted by the Issuer and NWB Bank does not have any subsidiaries.

NWB Bank's registered office is at Rooseveltplantsoen 3, 2517 KR The Hague, the Netherlands. Its telephone number is +31 70 4166266. NWB Bank is authorized by the Dutch Central Bank (*De Nederlandsche Bank,* '**DNB**') DNB to pursue the business of a credit institution (*kredietinstelling*) in the Netherlands and is consequently supervised by DNB. As NWB Bank is considered a 'significant credit institution' under the SSM, it is subject to direct supervision from the ECB. In addition, for purposes of market conduct supervision, NWB Bank is supervised by the AFM. See '*Supervision and Regulation*' below.

Purpose

NWB Bank's activities are characterized by its specialized purpose as a leading lender for the Dutch public sector. As NWB Bank's shareholders are public authorities, NWB Bank's principal business activities include providing loans to municipal, provincial and other public authorities such as water authorities, and other legal entities which are guaranteed and/or controlled by central or other public authorities. NWB Bank also provides its shareholders with funds transfer and electronic banking services.

As NWB Bank's shareholders are public authorities, NWB Bank is positioned as part of and plays an important role in the Dutch public sector. For one group that forms NWB Bank's majority of shareholders, namely the water authorities, water awareness and sustainability is in their DNA. They are also one of NWB Bank's largest group of clients. Climate adaptation, climate mitigation and improving biodiversity are among their core tasks, and the water authorities play an important role in the energy transition in the Netherlands. Another large client group of NWB Bank, the housing associations, also play an important part in enhancing sustainability. About 30% of the Dutch housing stock consists of social housing, and in the coming years, housing associations will invest heavily in new, climate-neutral construction, making existing social housing more energy-efficient and keeping social rents low. Together with the housing associations, water authorities, drinking water companies and other clients, NWB Bank is working on a society in which current and future generations can live well and sustainably.

Pursuant to Article 2 of NWB Bank's articles of association (*statuten*) (the '**Articles of Association**'), the object of NWB Bank is to engage in banking operations for the benefit of the public sector by: (i) granting loans a) to regional water authorities (*waterschappen*), b) to the State of the Netherlands (*de Staat der Nederlanden*), provinces (*provincies*) and municipalities (*gemeenten*), c) to other bodies governed by public law and equivalent bodies, d) to legal entities and other bodies and collaborative ventures operating publicly as independent entities or organizations that are, either directly or indirectly by means of shares or otherwise, controlled by a body/legal entity referred to under a for at least one third, or controlled by a body/legal entity referred to under b) or c) for at least half, e) to legal entities and other bodies and collaborative ventures operating publicly as independent entities or organizations within the context of, among other things, project finance, of which the operating income is solely or substantially provided or guaranteed by one or more of the bodies/legal entities referred to under a), b) or c), f) to legal entities and other bodies and collaborative ventures operating publicly as independent entities or organizations to which an investment fund financed by the State of the Netherlands has provided at least one third of the capital in the form of equity and /or a subordinated loan, g) to an investment fund financed by a body/legal entity referred to under a), b) and/or c) through capital or a subordinated loan, h) under a for at least fifty per cent (50%) guarantee by one of the bodies/legal entities or other entities or collaborative ventures operating publicly as independent entities or organizations referred to under a), b) or c), (ii) borrowing funds (iii) providing other services to or for the benefit of the legal entities and other bodies and collaborative ventures operating publicly as independent entities or organizations referred to under (i) above, (iv) entering into transactions for the purpose of hedging and managing risks, (v) mediating in the granting of loans, as referred to under (i), by third parties and taking over loans payable by the bodies referred to under (i), (vi) incorporating, participating in and collaborating with legal entities and other bodies and collaborative ventures operating publicly as independent entities or organizations which by reason of their objectives may be able to further the purpose of the company defined in this paragraph, and (vii) doing all that which may be conducive to the purpose of the company defined in this paragraph. NWB Bank shall not grant any loans other than those described in this paragraph.

Strategy

Since its incorporation in 1954, NWB Bank has focused on its role as a robust and efficient caterer to the finance needs of clients in the Dutch public sector. NWB Bank has rigorously maintained its strategic concept of being one of the major financial service providers in the public arena, and aims to provide its public sector clients with lower finance charges and maximum access to funding and offer interest rate benefits on their loans. Rather than seeking to maximize its profits, NWB Bank's policy is geared to achieving reasonable profits that are adequate to safeguard NWB Bank's continuity and that enable NWB Bank's future growth.

Therefore, NWB Bank's mission is to invest with our stakeholders in a water-aware and sustainable society. In addition to being in the majority of our shareholders' DNA, water awareness and sustainability are also in NWB Bank's DNA. NWB Bank wants to contribute to long-term environmental and social goals by making the best possible use of its financing power. NWB Bank's strategy consists of the following three pillars:

- we are the bank of and for the public water sector;
- we are a key player in financing the Dutch public sector; and
- we are a financing partner for enhancing sustainability in the Netherlands. NWB Bank's foundation is being a sustainable, efficient and socially engaged organization and NWB Bank's bottom line is responsible returns and societal impact.

NWB Bank believes it is able to maintain its strategy through its efficient, high-quality and committed organization, which has strong access to funding in the international money and capital markets due to its favorable credit ratings. NWB Bank's important role in the Dutch public sector is reflected by its well-established track record and high market share in lending activities for public sector institutions such as social housing, water authorities and healthcare as well as public-private partnerships, water utilities and renewable energy. This positions NWB Bank to provide stable and low-cost financing to and for the Dutch public sector with ensuing broader public benefits. Important strategic prerequisites for achieving these objectives include:

- continuing ownership by the Dutch State and other public authorities as set out in NWB Bank's Articles of Association;

- continuing restrictions on NWB Bank's operations as set out in the Articles of Association;
- maintaining its credit rating equivalent to the credit rating of the Dutch State;
- retaining a transparent and robust financial position;
- continuing provision of low-cost and competitive funding;
- maintaining its low risk profile;
- maintaining access to the international capital markets;
- maintaining professional asset and liability management;
- maintaining efficient and low cost operational management;
- maintaining a sound interest margin;
- maintaining excellent corporate governance standards and implementation;
- providing sustainable solutions; and
- leading in the area of corporate social responsibility

With its specialized services, NWB Bank continues to benefit from focusing its operations primarily within the public sector. Loans to many (semi) public sector entities have been categorized as having a zero per cent risk weighting for capital requirement purposes meaning that such loans do not affect NWB Bank's capital requirements and are considered 'solvency-free' to NWB Bank, which is reflected in NWB Bank's limited credit risk as expressed by its robust Tier-1 ratio. NWB Bank has large lending market shares in certain segments of the Dutch public sector, in particular in lending to social housing associations and water authorities, where it will seek to maintain its substantial market share.

Since 2014, NWB Bank has issued annual 'Green Bonds' which in NWB's case are referred to as 'Water Bonds' the proceeds of which have been used to finance projects of water authorities that contribute to climate mitigation, climate adaption and biodiversity. NWB Bank is a leading issuer on the international markets of Green Bonds.

In June 2017, NWB Bank issued its first so-called AHB (Affordable Housing Bond). The proceeds of these AHB's are specifically used for the financing of social housing and aim to enhance sustainability thereof. In 2019 NWB Bank rebranded the Affordable Housing Bonds into the 'SDG Housing Bonds' to signal the transition from a social bond to a sustainable bond. Since 2014 NWB Bank has raised over €18.6 billion with green and sustainable bonds.

The issuance of all green and sustainable bonds have contributed and continue to contribute to NWB Bank's mission to invest together with its stakeholders in a water-aware and sustainable society as the proceeds are used for Eligible Loans for the water authorities and Eligible assets for Dutch Social Housing Organizations.

Funding of NWB Bank

Over the past three years, NWB Bank's need for long-term funding has varied between €13.7 billion in 2020, €8.3 billion in 2021 and €10.9 billion in 2022. In order to raise funds on the international capital markets NWB Bank established this Program of €75 billion (or equivalent in other currencies) as well as a U.S. $25 billion commercial paper program (increased from $15 billion in September 2019), a €25 billion euro-commercial paper and certificate of deposit program and an AUD 10 billion bond program, allowing it to raise funds in various markets. NWB Bank raises funds under the above mentioned programs as well as on a stand-alone basis.

Competition

NWB Bank's main competitor is BNG Bank N.V. ('**BNG**'), another Dutch public sector lender that is nearly twice NWB Bank's size. Together both banks have an average market share of 90%. Other competitors include institutional investors (mainly insurance companies and pension funds). Due to the small margins generally earned on public sector lending, most commercial banks have withdrawn from this market, as their relative funding costs exceed borrowing rates otherwise available to the public sector. However, a number of institutional investors attracted by the low risk profile of the Dutch public sector are active in the market.

As at 31 December 2022, NWB Bank had a market share of approximately 16% of the Dutch municipal sector as measured by aggregate loans and advances made. As at 31 December 2022, NWB Bank also benefited from high market shares in lending Dutch provinces (approximately 36%), Dutch joint schemes (*gemeenschappelijke regelingen*) (approximately 33%), to Dutch housing associations (approximately 37%), Dutch water authorities (approximately 88%) and drinking water companies (approximately 33%) and Dutch healthcare entities (approximately 30%) as measured by aggregate loans and advances made.[15] NWB Bank's market share remained at approximately the same levels as the previous years: Dutch municipal sector 2021 (approximately 17%,), Dutch provinces (approximately 47%), Dutch joint schemes (approximately 35%), Dutch water authorities sector 2021 (approximately 88%), drinking water companies 2021 (approximately 28%), Dutch housing sector 2021 (approximately 38%) and Dutch healthcare entities 2021 (approximately 28%). NWB Bank competes on the basis of favorable pricing and swift response to its clients' needs.

Products and Services

Loans and Advances

NWB Bank's primary business is providing loans and advances to Dutch public sector institutions and to financing projects and companies in the public infrastructure and utilities sector, as well as sustainable energy projects. NWB Bank's borrowers are mainly public authorities and institutions to which funds are lent under the guarantee of public authorities. In addition, NWB Bank holds an interest-bearing securities portfolio comprising RMBS notes that are guaranteed under the National Mortgage Guarantee scheme and bonds issued or guaranteed by highly rated European public sector institutions. A smaller proportion of loans is provided to Dutch utility companies including drinking water companies and regional network operators. Credit exposure on loans and advances to public authorities is extremely low as the majority of the loans and the securities portfolio consist of receivables from or guaranteed by public authorities with a 0% risk weighting from DNB making it 'solvency-free'. NWB Bank has never suffered a loan loss. NWB Bank's Articles of Association prohibit all lending to privately owned entities, except when a guarantee or ownership from a public authority is in place, NWB Bank is also permitted to provide long-term financing to Public-Private Partnership (PPP) projects or (project) finance in the field of public infrastructure and utilities or sustainable energy. Loans to be extended under this PPP or sustainable energy model carry a higher weighted credit risk. Any PPP and sustainable energy portfolio would be restricted to a volume that will only have a limited effect on NWB Bank's exposure to risk-weighted assets.

Against the backdrop of the global economic and financial crisis followed by the Eurozone sovereign debt crisis in the early 2000s, NWB Bank's strong capital position and continued access to the capital markets and other financing sources ensured that NWB Bank was in a position to maintain and reinforce its position as a stable and reliable lender to its clients, which allowed it to continue to provide long-term funding to local authorities and public sector institutions at competitive rates. NWB Bank has maintained this position against the current backdrop of market volatility and modest economic growth.

Europe and the Netherlands experienced a slight uptick in economic growth in the second half of 2022 following the COVID-19 pandemic, resulting in GDP growth, lower unemployment rates and more stable property markets, which moderately raised investment and consumer spending. In 2022, NWB Bank's long-term lending volumes to the public sector decreased from record lending volumes of €12.1 billion in 2021 to €9.6 billion in 2022. NWB Bank maintained its position as a leading lender in the sector. See also '*Operating and Financial Review – Selected Balance Sheet Items at 31 December 2022, 31 December 2021 and 31 December 2020 – General*'.

The table below sets forth NWB Bank's new long-term lending (and the amount thereof subject to capital adequacy requirements) in 2022, 2021 and 2020.

	Outstanding as of December 31, 2022	**New long-term Lending**			**Of which subject to capital adequacy requirements**			
		2022	**2021**	**2020**	**Total**	**2022**	**2021**	**2020**
				(in millions of €)				
Water authorities.....	7,699	826	1,138	1,100	-	-	-	-
Municipal authorities ...	5,020	367	895	883	-	-	-	-
Social housing corporations	31,015	3,768	4,085	2,102	-	-	-	-

[15] The Issuer's market shares are mainly based on an analysis of figures provided by the Centraal Bureau voor Statistiek, WSW and WfZ.

	Outstanding as of December 31, 2022	New long-term Lending			Of which subject to capital adequacy requirements			
		2022	2021	2020	Total	2022	2021	2020
				(in millions of €)				
Healthcare institutions	1,871	262	605	117	404	114	290	-
Joint schemes	1,010	130	263	146	243	100	86	57
Government-controlled limited liability companies	2,043	217	283	920	1,068	192	237	639
Other	2,084	178	360	404	179	20	132	27
Total	50,741	5,748	7,268[16]	5,672	1,849	426	745	723
Growth in new long-term lending of which solvency-free	-	5,322	6,883	4,949		-	-	-

In 2022, NWB Bank carried out 5 RMBS notes transactions guaranteed under the National Mortgage Guarantee totaling €900 million.

Other Services

NWB Bank also provides payment services and fund transfers. NWB Bank offers these services exclusively to its shareholders, the majority of which are water authorities.

Clients

Social Housing

NWB Bank provides long-term loans to social housing associations all of which are guaranteed by WSW, a social housing fund whose purpose is to enable housing associations that qualify as registered institutions (*toegelaten instellingen*) to borrow funds at reduced costs in order to facilitate their role in the social housing market. WSW can guarantee payment obligations of registered institutions that fulfill certain conditions set by WSW and are registered participants of WSW. The State of the Netherlands and the Dutch municipalities have committed to provide WSW with interest free loans in case WSW's liquidity forecast shows that, taking into account reasonably expected claims against WSW in its capacity as guarantor and any other reasonably expected claims against WSW, the net assets of WSW would be less than 0.25% of the total amount guaranteed by WSW.[17] S&P and Moody's have assigned WSW a rating of AAA (Stable outlook) and Aaa (Stable outlook), respectively.

According to Statistics Netherlands (*Centraal Bureau voor de Statistiek*), the national statistical office, as of 1 January 2021, housing associations owned approximately 2.3 million dwellings, which was approximately 29% of the total stock of houses in the Netherlands. The housing associations meet their funding needs through borrowing from banks, such as NWB Bank, and generate income through the collection of rents and through the sales of housing and condominium projects, which includes both rental properties and privately owned homes. The Dutch Authority Housing Associations is responsible for the financial supervision of this sector. WSW guaranteed loans are 0% risk weighted.

Water Authorities

NWB Bank's share in the Dutch water authority loan market remains high. Water authorities are local government authorities with control of a region's water resource management. Dutch water authorities have a similar legal status to Dutch municipalities. Their functions vary depending on location and size, but their responsibilities generally include water charging and financing, managing bulk water supply, water quality, control of urban wastewater and flood control. The water authorities receive financing primarily from NWB Bank. They generate revenues from taxes levied on users. Loans to water authorities are 0% risk weighted.

Municipal and Provincial Authorities

[16] Excluding NWB's investment in NHG RMBS Notes for € 700 million with a risk weight of 15%.
[17] This information is based on public information provided by WSW through www.wsw.nl.

A significant component of NWB Bank's client base is comprised of municipal and provincial governments in the Netherlands. Dutch local authorities are usually not individually rated by ratings agencies and are generally unable to access the capital markets directly. Accordingly, local authorities usually manage their funding needs by borrowing from each other or from individual lenders such as NWB Bank and BNG. The local authorities repay their loans using income raised from local taxes and fees received for local services. Loans to Dutch municipalities are 0% risk weighted.

Healthcare Institutions

NWB Bank provides financing solutions to public and semi-public healthcare institutions such as hospitals. NWB Bank only provides financing to the healthcare sector if repayment is guaranteed by WfZ or otherwise assured by a local public authority. WfZ can guarantee (*zich borg stellen*) payment obligations of certain entities which exploit accredited (*toegelaten*) health care institutions, fulfill the conditions set by WfZ and are registered participants of WfZ. Subject to certain other conditions, the State of the Netherlands has committed to provide WfZ with loans if WfZ's assets less liabilities (as calculated pursuant to WfZ's agreement with the State of the Netherlands) fall below certain pre-determined levels.[18] S&P has assigned WfZ a rating of AAA (Stable outlook). WfZ guaranteed loans are 0% risk weighted.

Other Public Sector Entities

A relatively small proportion of loans is provided to other Dutch utility companies. Depending on the nature of the loans to utilities they carry a risk weighting by DNB of between 20% and 100%. For example, loans provided to Dutch drinking water companies carry a 100% weighted credit risk and Academic Hospitals a 20%.

PPPs and renewable energy projects
Since 2015, NWB Bank has also provided loans to Public-Private Partnerships where there is a concession payment from a public authority. These carry a risk weight of 0% to 100%, depending on the legal structure. Since 2019, NWB Bank also finances renewable energy projects if there is a robust cashflow from subsidy payments from the government. These projects carry a risk weight of 75% to 100%, depending on the applicable capital requirement regulations (CRR).

Other
Any other entity that benefits from an unconditional and irrevocable guarantee from a Dutch authority or is (partly) owned by a Dutch authority, is eligible for funding from NWB Bank. As such, NWB Bank finances for example local sport associations, schools, heating districts and solar farms. If there is a guarantee in place, the risk weight is 0%. Otherwise, depending on the ownership structure, the risk weight can range from 0% to 100%.

Ratings
NWB Bank's long-term debt securities are rated AAA (Stable outlook) by S&P and Aaa (Stable outlook) by Moody's.

On 29 July 2022, S&P affirmed the AAA long-term rating of NWB Bank and its 'stable' outlook and on 11 May 2022, Moody's affirmed Aaa long-term rating and 'stable' outlook in a credit opinion updating the credit analysis following rating affirmation.

Any rating action taken by S&P or Moody's with respect to the State of the Netherlands would be expected to impact NWB Bank's ratings.

According to S&P, an obligation rated 'AAA' by S&P has the highest rating. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

Moody's long-term ratings are assigned to obligations with an original maturity of one year or more and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default. According to Moody's, obligations rated 'Aaa' are judged to be of the highest quality and subject to the lowest level of credit risk.

Series of Notes issued under the Program may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Program. A security rating is not a recommendation to buy,

[18] This information is based on public information provided by WfZ through www.wfz.nl.

sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. As of the date of this Base Prospectus, each of S&P and Moody's is established in the European Union and is registered under the CRA Regulation. The rating of a certain Series of Notes to be issued under the Program, if applicable, will be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to such Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed clearly and prominently in the Final Terms. See '*Risk Factors – Risks Related to the admission of the securities to trading on a regulated market – Credit rating risk*'.

Employees

NWB Bank had 103 employees expressed in full-time equivalents, including the three members of the Managing Board, as at 31 December 2022, all of which were employed in the Netherlands. Substantially all of NWB Bank's employees are subject to collective labor agreements covering the banking industries. NWB Bank believes that its employee relations are good.

Risk Management

Risk management has a central role in NWB Bank's organization. Risk awareness is an important element of NWB Bank's business culture and is embedded in NWB Bank's long-term strategy aimed at solidity. The organization is designed to identify risks at an early stage, analyze them, set sensible limits and monitor those limits. NWB Bank's strategy places strict requirements on risk management as well as on the organization and enforcement of adequate internal controls. NWB Bank has adopted an organization-wide approach to risk management and its control. The Executive Committee sets the risk management parameters. Within these parameters, the Asset and Liability Committee ('**ALCO**'), the Credit Committee and the Non-Financial Risk Committee make decisions on the risks of NWB Bank. As an important element of its supervisory role, the Supervisory Board, and in particular the Audit Committee and Risk Committee of the Supervisory Board, evaluates the management of the risks associated with the banking operations. See '*Risk Factors – NWB Bank's risk management methods may leave it exposed to unidentified, unanticipated or incorrectly quantified risks, which could lead to material losses or material increases in liabilities*'.

NWB Bank's most important financial risks are interest rate, liquidity and credit risks. NWB Bank employs a very prudent approach to managing these risks. NWB Bank believes that its internal risk controls and risk management systems are adequate and effective. The Dutch Banking Code (2010) (*Code Banken*), a self-regulation which was drawn up by the Dutch Banking Association (*Nederlandse Vereniging van Banken*, '**NVB**') and originates from recommendations of the Dutch Advisory Committee on the Future of Banks in response to the global economic and financial crisis, and the amendments to the Dutch Corporate Governance Code offer guidance for improving risk management processes. The new Dutch Banking Code (2014) ('**Banking Code**') entered into force on 1 January 2015 and is designed to make a contribution to public trust in banks and their role in the community. The principles in the Banking Code emphasize the importance of sound and ethical operation by banks and set this out in certain principles for (i) the executive board, (ii) the supervisory board, (iii) risk management, (iv) audit and (v) remuneration.

In accordance with the initial Code Banken's recommendations, which took effect on 1 January 2010, NWB Bank, amongst others, defined its risk appetite more specifically, set up a program for continuing education for the members of the Executive Committee and Supervisory Board and further formalized the product approval process. In conformity with the Code Banken, NWB Bank has a risk appetite in place, which documents the degree and areas in which NWB Bank is prepared to accept risks in reaching its strategic objectives. NWB Bank's risk appetite is approved by the Supervisory Board. In order to adhere to the revised code, NWB Bank revised its regulations for its Executive Committee, Supervisory Board, Audit and Risk Committee and the Remuneration and Appointment Committee. Further, all NWB Bank employees took the banker's oath, on the basis of which employees will be subjected to the disciplinary rules and the updated Code of Conduct. Similarly, all members of the Executive Committee and Supervisory Board took the banker's oath that included a declaration regarding disciplinary rules.

The product approval process, which is followed whenever new products are launched, new markets are entered into or new services are offered, involves a review of transparency and risk management. Where the launch of a new product or service or the entry of a new market has a substantial impact on NWB Bank's risk profile or strategy, approval from the Supervisory Board is required.

Management of Main Risks

Interest rate risk is monitored on a daily basis using DV01 limits, an earnings-at-risk model and a gap analysis, and, on a periodic basis, using scenario analysis. Outcomes from positions adopted are analyzed using a profit forecast, interest margin analysis and performance analysis. The DV01 analysis is used as a measure of total-term interest rate risk. DV01 is an absolute measure derived from duration, indicating the change in price or fair value, expressed in monetary units, of the instrument caused by a one basis point (0.01%) change in the yield curve. A system of DV01 limits applies to the overall interest rate risk position and NWB Bank's related strategy, which is based on NWB Bank's level of return agreed with the shareholders. The strategic position is independent of any vision on interest rate developments. The interest rate sensitivity of the portfolio to which macro hedging is applied is monitored on the basis of DV01s for various time intervals. To manage spread risk related to the refinancing of NWB Bank, a spread DV01 measure and concomitant limit apply indicating a maturity mismatch between funding and lending. The spread DV01 is quantified on the basis of the interest rate sensitivity of all long-term lending and funding. At year-end 2022, NWB Bank's entire portfolio was within the DV01 limit set.

NWB Bank assesses its short-term interest rate risk by use of the earnings-at-risk measure. This is a simulation measure, comparing the expected net interest income or loss for the next twelve months under various interest rate scenarios with the outcome calculated using a base case scenario. At year-end 2022, the outcomes for these scenarios were within the limits set. NWB Bank's policy is to manage the interest rate risk bank-wide by using interest rate swaps and other derivative instruments for both the asset and the liability side of the balance sheet. Under the agreements governing these derivative instruments, NWB Bank agrees to exchange, at specified intervals, the difference between fixed and variable interest rates calculated by reference to an agreed-upon notional amount.

NWB Bank's liquidity position is monitored daily. The aim of liquidity management is to ensure that there are sufficient funds available for NWB Bank to meet not only foreseen, but also unforeseen financial commitments. NWB Bank's management is informed daily by means of a liquidity gap analysis, containing differences between the cash flows receivable and payable. NWB Bank's liquidity position is subject to a system of limits. The framework for liquidity risks was modified in certain respects in 2013, prompted in part by the Basel III liquidity ratios, the LCR and the NSFR, which are prescribed under CRD IV and the CRR. This framework was further amended as a result of the EU Banking Reforms. DNB requires Dutch banks to maintain a minimum LCR of 100% as at the effective date of 1 October 2015. A minimum NSFR requirement of 100% applies since 28 June 2021. At year-end 2022, NWB Bank satisfied the minimum requirements of both the LCR and NSFR.

NWB Bank has a 'recovery plan' describing its crisis management organization and the recovery measures available to it in a financial crisis. NWB Bank's recovery plan is approved by ECB and will be updated annually, in line with the BRRD and SRM Regulation.

With regard to credit risk, NWB Bank focuses on maintaining an extremely high-quality loan portfolio. NWB Bank principally lends to governments and government-backed institutions. It also provides loans to government-affiliated clients without government guarantees. NWB Bank also lends in limited amounts to governments in other Western European countries, particularly with a view to increasing the liquidity portfolio, applying the same quality standards as for domestic lending. All loans are included in the credit assessment system of NWB Bank. If a credit limit is set for a counterparty it is adjusted at least annually in line with the latest developments. NWB Bank has never suffered a material loan loss. To manage the interest rate and currency risks, NWB Bank uses derivatives. To limit the credit risks associated with these derivatives as much as possible, NWB Bank, in principle, only enters into transactions with counterparties with an A rating at a minimum and limits are set to minimize the total exposure from derivatives.

Transactions NWB Bank enters into with financial counterparties, give rise to counterparty risks. These are confined by imposing limits and using a framework of standard requirements, as well as by concluding risk-mitigating netting and collateral agreements with financial counterparties. Portfolio management, monitoring and collateral management have been stepped up over recent years with respect to individual derivatives portfolios for all counterparties, as well as for the total derivatives portfolio. For example, risk concentrations in the swap portfolio are assessed and adjusted in terms of both interest-rate sensitivities and fair value and the associated collateral balance for each counterparty. Since the end of 2013, the fair valuation of swaps has included a credit valuation adjustment, which represents the fair value of the counterparty risk in relation to derivatives or, in other words, the likelihood of the counterparty defaulting and the loss that is expected to occur as a result. With the entry into force of CRD IV on 1 January 2014, a 'CVA capital charge' was introduced, entailing the enhanced allocation of capital to possible CVA changes. In order to comply with EU Regulation 648/2012 on over-the-counter ('**OTC**') derivatives, central counterparties and trade repositories (as amended and commonly known as the European Market Infrastructure Regulation, or '**EMIR**'), NWB Bank is clearing new interest rate swaps since 2016 at the central counterparty (CCP) through clearing members.

The main components of operational risks of NWB Bank are losses incurred due to disruptions of the information system, transaction processing and settlement systems, and ineffective procedures, particularly with respect to new services or products, as well as fraudulent and/or unauthorized actions on the part of staff or third parties. These risks are actively monitored and managed.

For further information on NWB Bank's risk management activities please see section 35 '*Risk management*' to the Financial Information incorporated by reference herein.

Dividends

In 2019, NWB Bank's Managing Board decided to resume the payment of dividend for the 2018 financial year in anticipation of the amendments to the CRR, which sets out a proportional calculation of the leverage ratio for promotional banks. In April 2023, NWB Bank announced that it will distribute €60 million (for 2021: €50 million) in dividends to its shareholders for the 2022 financial year. As a result of the amendments to the CRR, the leverage ratio for NWB Bank was 18.4% as at year-end 2022, which is amply above the future minimum requirement of 3%. Payment of the dividend, however, will only take place after ECB approval.

Managing Board and Supervisory Board

The Managing Board currently consists of three members and the Supervisory Board consists of seven members.

The tables below set forth the members of the Managing Board and the Supervisory Board, their year of birth, the year of their initial appointment and their position. The members of the Supervisory Board and the Managing Board are appointed by the Annual General Meeting of Shareholders on the nomination of the Supervisory Board. All members of the Managing Board and the Supervisory Board have their business address at the registered office of NWB Bank.

Managing Board

Name	Born	Appointed	Position
L.M.T. van Velden	1964	2010[19]	Chair
F.J. van der Vliet	1967	2012	Member
A.G. van Eijl	1973	2022[20]	Member

Supervisory Board

Name	Born	Appointed	Position
A.J. Kellermann	1960	2020	Chair
A.J.B. van der Klugt	1956	2017	Deputy Chair
A.M. Ottolini	1958	2019	Member
G.J.M. van den Maagdenberg	1961	2017	Member
M.J. Schepers	1960	2016	Member
C.E. Oosterloo-van 't Hoff	1965	2023	Member

Set out below are brief biographies of the members of the Managing Board and the Supervisory Board. Members of the Managing Board/Executive Committee are generally appointed for a four year period and can be reappointed for a further term of four years. Members of the Supervisory Board are generally appointed for a four year period and can be reappointed not more than once for a further term of four years, unless special circumstances justify a second reappointment.

Managing Board

[19] Appointed as Chair of the Managing Board at the Annual General Meeting held on 19 April 2018.

[20] Ard van Eijl was previously appointed on 1 November 2018 as non-statutory member of the Managing Board/CRO. He was appointed as a statutory member of the Managing Board on 14 April 2022.

Mrs. L.M.T. van Velden, Chair

Mrs. van Velden has been a statutory member of the Managing Board of NWB Bank since 1 January 2010 and has been appointed as Chair of the Managing Board on 19 April 2018. Mrs. Van Velden has been finally reappointed (during the Annual General Meeting held on 15 April 2021) for a term of 4 years commencing as of 1 January 2022.

Mrs. van Velden is also a member of the Supervisory Board of Centraal Beheer General Pension Fund, a member of the Supervisory Board of PharmAccess Group Foundation and the President of the European Association of Public Banks (EAPB).

Mr. F.J. van der Vliet, Member

Mr. Van der Vliet has been a statutory member of the the Managing Board of NWB Bank since 1 January 2012and has been finally reappointed (during the Annual General Meeting held on 20 April 2023) for a term of 2 years commencing as of 1 January 2024.

Mr. A.G. van Eijl, Member

Mr. Van Eijl has been a non-statutory member of the Managing Board of NWB Bank since 1 November 2018 and has been appointed as a statutory member (during the Annual General Meeting held on 14 April 2022) for a term of 4 years as of 14 April 2022. Mr. van Eijl has been Head of Risk Management of NWB Bank since 2013 and Chief Risk Officer (non-statutory) since 1 November 2018.

Executive Committee

NWB Bank's Executive Committee consists of the members of the Managing Board (as described above).

Supervisory Board

Name:	*A.J. (Joanne) Kellermann* (62)[4)6)7)]
Position:	Chair
Year of first appointment:	2020
Term of office ends in:	2024
Principal position:	Chair of Pension Fund Zorg & Welzijn (PFZW)
Relevant other positions:	Chair of the Supervisory Board at Aflatoun International Member of the Committee for European Integration at the Advisory Board for International Affairs (advising the Minister of Foreign Affairs) Member of the Identification Committee at Transparency International Member of the Supervisory Board at Veerstichting Member of the Advisory Board at PRIME Finance Director at KellerCo BV

Name:	*A.J.B. (Toon) van der Klugt* (66)[6)]
Position	Deputy Chair
Year of first appointment:	2017 (EGM)
Term of office ends in:	2026
Principal position:	Chair of the Water Authority of Schieland and Krimpenerwaard
Relevant other positions:	Deputy-Chair and Secretary at Stichting Administratiekantoor Vreugdenhil-Klugt Beheer Chair at the Regionale Belasting Groep (de RBG) Chair at the Association of Zuid-Hollandse Waterschappen

Name:	*G.J.M. (Frida) van den Maagdenberg* (61) [1)5)]

Year of first appointment:	2017
Term of office ends in:	2025
Principal positions:	Member of the Executive Board at Leiden University Medical Center (LUMC)
Relevant other positions:	Member of the Supervisory Board and Chair of the Audit Committee at Nederlandse Loterij (Dutch Lottery) Member of the Central Planning Committee at the Netherlands Bureau for Economic Policy Analysis (CPB) Member /Vice Chair of the Supervisory Board at the Netherlands Institute for Healthcare Research (NIVEL)

Name:	*A.M. (Annette) Ottolini* (64)[3)]
Year of first appointment:	2019
Term of office ends in:	2027
Principal position:	General Director and Board Member at Evides Waterbedrijf
Relevant other positions:	Member of the Supervisory Board at Delfluent B.V. Member of the Board at Deltalinqs Member of the Board at VEI Member of the Board at Water for Life Foundation

Name:	*M.J. (Manfred) Schepers* (62)[4)5)]
Year of first appointment:	2016
Term of office ends in:	2024
Last position held:	CEO at ILX Management B.V.
Relevant other positions:	Member of the Supervisory Board and Chair of the Risk Committee at Van Lanschot Kempen Chair of the Board of Het Compagnie Fonds, National Maritime Museum Member of the Board of Governors of UWC Atlantic College

Name:	C.E. Oosterloo-van 't Hoff[2)4)]
Year of first appointment:	2023
Term of office ends in:	2028
Principal position:	Head Central Risk Management at ABN AMRO Bank N.V.
Relevant other positions:	N/A

[1)] Acting Chair of the Audit Committee

[2)] Chair of the Risk Committee

[3)] Chair of the Remuneration and Appointment Committee

[4)] Member of the Audit Committee

[5)] Member of the Risk Committee

[6)] Member of the Remuneration and Appointment Committee

[7)] Acting Member of the Risk Committee

Managing Board/Executive Committee and Other Members of Senior Management

Lidwin van Velden, Chair of the Managing Board and Executive Committee, CEO

Frenk van der Vliet, Member of the Managing Board and Executive Committee, CCO
Ard van Eijl, Member of the Managing Board and Executive Committee, CRO
C.T.L. Korthout, Member of the Executive Committee, advisor to the Managing Board
Marian Bauman, human resource & facility management
Leonieke Blaauwgeers, public finance
Jan Boor (acting), back office
Jasper van den Bor, ALM risk
Mark van Doorn, treasury
Bas van Eenige, change & information management
Reinout Hoogendoorn, internal audit
Robert Jongkind, operational risk
Leon Knoester, specialised finance
Rowan Kolenbrander, credit risk
Karin Petrici, compliance
Gemma Righolt, it
Heleen van Rooijen, finance & control
Simon Zwagemakers, legal & corporate affairs

Conflicts of Interest

As of date of this Base Prospectus, no members of the Managing Board, the Supervisory Board and members of Senior Management have any actual or potential conflict of interest between their duties to NWB Bank and their private interests and/or other duties. Should any potential conflicts of interest arise, the procedures set out below would apply.

Potential Conflicts of Interest – Managing Board

The Dutch Corporate Governance Code, to which NWB Bank voluntarily adheres, requires that any conflict of interest or apparent conflict of interest between NWB Bank and the Managing Board members shall be avoided. The members of the Managing Board aim to avoid any form or semblance of conflicting interests in the performance of their duties. The regulations of the Managing Board contain a provision that a member of the Managing Board who is confronted with a potential conflict of interest must report it to the Supervisory Board and the other members of the Managing Board and provide all relevant information relating to such potential conflict of interest. A determination as to a conflict of interest is made by the Supervisory Board. The relevant member of the Managing Board will not participate in the deliberations or decision-making regarding the subject in question. In case of a potential conflict of interest, the relevant transactions will be disclosed in NWB Bank's annual report. At present there are no potential conflicts of interest.

It is possible that in the future Managing Board memberships and additional positions of members of the Managing Board can lead to conflicting interests in the performance of duties. Should that be the case, then the above described procedure will be followed.

Potential Conflicts of Interest – Supervisory Board

The Dutch Corporate Governance Code, to which NWB Bank voluntarily adheres, requires that any conflict of interest or apparent conflict of interest between NWB Bank and the Supervisory Board members shall be avoided. Decisions to enter into transactions involving conflicting interests of Supervisory Board members that are of material significance to NWB Bank and/or the relevant Supervisory Board members require the approval of the Supervisory Board.

The regulations of the Supervisory Board contain a provision that a Supervisory Board member who is confronted with a potential conflict of interest must report any such instance to the Supervisory Board and provide all relevant information relating to such potential conflict of interest. It is stipulated that the Supervisory Board member in question will not take part in the deliberations or the decision-making regarding the matter. In case of a potential conflict of interest, the relevant transactions will be disclosed in NWB Bank's annual report. At present there are no potential conflicts of interest. By late 2021, the Supervisory Board includes the reporting of any conflicts of interest as a standard agenda item at the start of each meeting, at both its meetings and at committee meetings, so that possible conflicts of interest can be explicitly considered at every meeting. Furthermore, the Supervisory Board believes it meets the obligation in the EBA Guidelines on internal governance under Article 32 of Directive 2013/36/EU (with a cross-

reference to Section 9.3 of the EBA Guidelines on the assessment of the suitability of members of the management body and key function holders) regarding a sufficient number of independent Supervisory Board members. The Supervisory Board also considers that best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code have been complied with. The overall profile for the composition and appointment of Supervisory Board members sets requirements in the area of independence.

It is possible that in the future Supervisory Board memberships and additional positions of members of the Supervisory Board can lead to conflicting interests in the performance of duties. Should that be the case, then the above described procedure will be followed.

Supervision and Regulation

European Supervision and Regulation

Capital Requirements Directive

In December 2010, the Basel Committee on Banking Supervision published Basel III. Basel III is being implemented in the EU through the CRD IV Directive and the CRR and aims to create a sounder and safer financial system. The CRD IV Directive governs amongst other things the market access to banking activities while the CRR establishes the majority of prudential requirements institutions need to respect.

The CRR entered into force on 1 January 2014, and has direct effect in the Netherlands. The CRD IV Directive was implemented in Dutch law per 1 August 2014. A number of the requirements introduced under CRD IV will be further supplemented through the Regulatory and Implementing Technical Standards (RTSs/ITSs) produced by the EBA.

CRD IV, in implementing Basel III, is intended to increase the quality and quantity of capital, requires increased capital against derivative positions and introduces a capital conservation buffer, a counter-cyclical buffer, systemic risk buffer, a new liquidity framework (LCR) and net stable funding ratio (NSFR) as well as a leverage ratio. The LCR addresses the sufficiency of high quality liquid assets to meet short-term liquidity needs under a specified acute stress scenario which may not fall below 100% of the estimated net cash outflows for the following 30 days. The NSFR requires that banks maintain a stable funding profile in relation to their on- and off-balance sheet activities, i.e. that long-term assets are covered with sufficient stable funding. The leverage ratio is defined as Tier-1 capital divided by a measure of non-risk weighted assets (including specific off-balance sheet items).

In May 2019, a further package of reforms to CRD IV, the BRRD and the SRM Regulation was adopted in the form of the EU Banking Reforms, including measures to increase the resilience of EU institutions and enhance financial stability. The EU Banking Reform are wide-ranging and cover multiple areas, including a binding 3% leverage ratio, the introduction of a binding detailed NSFR, permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of 'non-preferred' senior debt, the implementation of the TLAC standard, the amendment of a number of aspects of the MREL framework to align it with the TLAC standard, and the transposition of the FRTB conclusions into EU legislation. The EU Banking Reforms entered into force on 27 June 2019. Most of the new rules in respect of CRD IV apply as of 28 June 2021. The new rules in respect of the SRM Regulation apply as of 28 December 2020. The new rules in respect of BRRD apply as of 29 January 2022.

The EU Banking Reforms applies a proportional application of the leverage ratio requirement for promotional banks such as NWB Bank (in October 2014, DNB qualified NWB Bank as a 'promotional lender' within the framework of the liquidity coverage requirements under the CRR. As a result, NWB Bank's debt securities qualify as high quality liquid assets level 1). The leverage requirement under the EU Banking Reforms became applicable to NWB Bank in June 2021. To date NWB Bank has managed its balance sheet and regulatory capital (its balance sheet leverage ratio as at 31 December 2022 was 18.9% and 3.1% not adjusted for promotional assets on the basis that substantially all of its assets carry a zero-risk weighting. NWB Bank relies and expects to be able to continue to rely on the aforementioned proportional application. Should it inadvertently at any time not be able to, it could be required, either to significantly increase its Tier-1 capital or reduce its lending to comply with such ratio. In order to increase its Tier-1 capital, in addition to retaining profits, NWB Bank has issued and may issue other capital instruments, such as Additional Tier 1 instruments, which carry a higher cost of funding than its existing long-term debt. Having to increase Tier-1 capital and/or reduce lending could have an adverse effect on NWB Bank's business and/or results of operations.

Additionally, on 7 December 2017, the Basel Committee published the Basel III Reforms (informally referred to as Basel IV). The substance of the proposals is that banks will be left with less discretion to apply their internal risk models to determine the amount of capital to be held. The Basel III Reforms furthermore include revisions to the standardised approaches for credit risk, operational risk and CVA. The impact of the Basel III Reforms remains subject to considerable uncertainty and transposition by the EU legislature. On 27 October 2021, the European Commission published the proposals to implement the Basel III Reforms in the EU. On 31 October 2022, the European Council published its proposals to implement the Basel III Reforms in the EU. On 23 January 2023, the European Parliament's Economic and Monetary Affairs (ECON) Committee adopted its draft reports on the legislative package on the implementation of the Basel III Reforms. The rapporteurs received a mandate from the European Parliament plenary to engage in trilogue negotiations with the Council. It follows from these proposals that the Basel III Reforms will likely be implemented as of January 2025. Any amendments resulting from the Basel III Reforms and possible future reforms are likely to affect rules contained in CRD IV and/or the application of CRD IV and the rules and regulations based thereon. However, since NWB Bank uses a standardized approach to determine the amount of capital to be held, the Basel III Reforms are unlikely to cause insurmountable problems for NWB Bank.

Deposit Guarantee Schemes

On 2 July 2014, a new Directive 2014/49/EU (as amended, '**DGS Directive**') on deposit guarantee schemes entered into force. The DGS Directive amends Directive 94/19/EC and regulates amongst others the harmonization of the ex-ante financing of the deposit guarantee schemes, the harmonization of the maximum payment of €100,000 under a deposit guarantee scheme, the cross-border cooperation of (foreign) deposit guarantee schemes, more transparency for depositors, the verification of claims by the deposit guarantee schemes and the reimbursement in the event of a bank failure. The legislation implementing the DGS Directive in the Netherlands entered into force on 26 November 2015. As a result, NWB Bank and other financial institutions are required to pay (ex-ante) risk-weighted contributions into a fund to cover future drawings under the deposit guarantee scheme. The fund is expected to grow to a target size of 0.8% of all deposits guaranteed under the scheme. The target size should be reached in 2024. The costs associated with potential future ex-ante contributions may vary from time to time, and will depend on the methodology used to calculate risk-weighting, but may be significant.

On 24 November 2015, the European Commission proposed a euro-area wide insurance scheme for bank deposits to be implemented in three phases: reinsurance, co-insurance and full insurance ('**EDIS**'). The EDIS proposal builds on the existing framework of national DGSs, under which depositors would benefit from the same levels of protection. EDIS would be filled by contributions owed and paid by banks directly to the SRB, as manager of EDIS, and calculated and invoiced by participating DGSs. It is not clear yet in what final form and when EDIS will come into effect, but such contributions may impact NWB Bank's results of operations.

DORA

DORA entered into force on 16 January 2023 and will become applicable on 17 January 2025. DORA introduced a new, uniform and comprehensive framework on the digital operational resilience of credit institutions, insurers, fund managers and certain other regulated financial institutions in the EU. All institutions in scope of DORA, which includes NWB Bank, will have to put in place sufficient safeguards to protect their business operations and activities against cyber and other ICT risks. DORA introduces requirements for such institutions on governance, ICT risk management, incident reporting, resilience testing and contracting with ICT services providers. Although NWB Bank is already required to comply with certain ICT risk management and resilience obligations, there may be (material) differences between these obligations and the standards as laid down in DORA (e.g. DORA extends to all contracts with ICT services, not only contracts that are considered outsourcing). Consequently, NWB Bank will likely be required to perform a gap analysis and implement any of DORA's additional or different requirements before DORA becomes applicable and ensure compliance with these requirements after the date thereof. This will give rise to additional compliance and ICT-related costs and expenses. Should NWB Bank not be able to timely comply with DORA, this may result in administrative and/or criminal enforcement and/or reputational damage.

MiFID

In April 2004, the Markets in Financial Instruments Directive 2004/39/EC ('**MiFID**') came into force. It streamlines supervision on the basis of home country control and enhances the transparency of markets. Furthermore, MiFID harmonizes conduct of business rules, including best execution, conflict of interest and customer order handling rules for investment services with respect to financial instruments. MiFID abolishes the concentration rule, creating a more

competitive regime between order execution venues. It furthermore imposes market transparency rules on investment firms, regulated markets and multilateral trading systems for both pre- and post-trading for equities. MiFID also has consequences for intermediaries in financial products. It envisages, *inter alia*, a way to harmonize regulation in respect of commission payments. MiFID prescribes inducement rules which should lead to appropriate commissions. These rules are intended to better protect customers if they wish to purchase financial instruments and to avoid reward-driven advice issued by intermediaries since intermediaries are often paid by the provider of the financial product. MiFID has been amended by a directive (Directive 2014/65/EU, as amended '**MiFID II**') and a regulation (Regulation 600/2014, as amended '**MiFIR**'). MiFID II and MiFIR provide for, among others, more extensive powers to supervisory authorities, increased market infrastructure and reporting requirements, more robust investor protection and increased equity and non-equity market transparency. MiFID II and MiFIR entered into force on 3 January 2018.

On 25 November 2021, the European Commission published a proposal amending MiFIR accompanied by a proposal to amend MiFID II. This initiative aims to empower investors, particularly smaller and retail investors, by enabling them to access the market data necessary to invest in shares or bonds more easily and by making EU market infrastructures more robust. This also aims to help increasing market liquidity, which, in turn, makes it easier for companies to receive funding from capital markets. The final form of the revisions to MiFID II/MiFIR and their entry into force remain unclear at this time.

PSD

In November 2007, the Payment Services Directive 2007/64/EC ('**PSD**') was formally adopted. The PSD aims to open up payment services to competition from newly licensed payments institutions and to increase consumer protection by introducing information requirements and uniform operational rules for payment service providers. The PSD, applicable in the European Union to all payments in Euro and other Member States' currencies, lays the foundation for the creation of a single market in payments and constitutes the legal framework for a single Euro payments area. On 24 July 2013, the European Commission published a proposal for a revised payment services directive (Directive 2015/2366/EU, as amended '**PSD2**'). PSD2 broadens the scope of the existing PSD and captures a wider range of payment services and payment transactions. In addition, PSD introduces new responsibility and liability provisions. On 25 November 2015, PSD2 was adopted by the European Parliament and the Council and it was implemented in the Netherlands on 19 February 2019. In 2022, the European Commission concluded the targeted consultation on the revised PSD2. The form of the revisions to PSD2 and their entry into force remain unclear at this time.

Anti-Money Laundering

Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing ('**AML3**') was implemented in the Netherlands by means of the Prevention of Money Laundering and the Financing of Terrorism Act (*Wet ter voorkoming van witwassen en financieren van terrorisme,* '**Wwft**'). The Wwft applies to financial institutions (e.g. banks, investment firms and investment fund managers) and aims to prevent laundering of the proceeds of crime and the financing of terrorism. The Wwft introduced a risk-oriented and principle-based approach, under which all measures aimed at preventing money laundering must be applied on a proportionate basis, depending on the type and risk of customer, business and other considerations.

On 1 January 2007, Regulation (EC) No 1781/2006 of the European Parliament and of the Council of 15 November 2006 on information on the payer accompanying transfers of funds, which transposes Special Recommendation VII on 'wire transfers' of the Financial Action Task Force into EU legislation, came into force. The regulation sets out rules on information on the payer accompanying transfers of funds, in order to allow basic information to be immediately available to the authorities responsible for combating money laundering and terrorist financing.

On 26 June 2015, Directive EU 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of AML3, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC ('**AML4**') entered into force, enhancing the existing EU measures to prevent money laundering and the financing of terrorism. In the Netherlands, AML4 is mainly implemented by amending the Wwft. Important changes relate to the additional requirements for identification and verification of the

ultimate beneficial owner, the extension of the definition of politically exposed persons, and the supervision of correct application of the AML4 outside the EU.

On 20 May 2015, Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 may 2015 on information accompanying transfers of funds and repealing Regulation (EC) No 1781/2006 was adopted, which aims to secure 'due traceability' of these transfers. This regulation replaces Regulation 1781/2006 and entered into force as of 26 June 2017.

On 9 July 2018, Directive EU 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive EU 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU ('**AML5**') entered into force. AML5 enhances the powers of EU Financial Intelligence Units (FIU), and facilitating increasing transparency on who really owns companies and trusts via ultimate beneficial owners registers, prevent risks associated with the use of virtual currencies for terrorist financing and limiting the use of pre-paid cards, improve the safeguards for financial transactions to and from high-risk third countries, enhance the access of FIUs to information, including centralised bank account registers, and ensure centralised national bank and payment account registers or central data retrieval systems in all Member States. Member States had to transpose AML5 in their national laws and regulation by 10 January 2020. The Netherlands has implemented AML5 in national laws which entered into force as of 21 May 2020.

On 3 June 2021, Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law ('**AML6**') entered into force. AML6 intends to complement and reinforce AML4 by laying down minimum rules on criminal liability for money laundering. AML6 has been implemented in Dutch law as of 1 December 2020.

On 20 July 2021, the European Commission published a package of measures to (further) tighten the European anti-money laundering and anti-terrorist financing regulations. Part of this package of measures are (i) a regulation establishing a new European authority to address the current shortcomings in AML supervision in the European Union (the '**Authority for Anti-Money Laundering and Countering the Financing of Terrorism**') and amending Regulations (EU) No 1093/2010, (EU) 1094/2010, (EU) 1095/2010, (ii) a directive on the mechanisms to be put in place by the Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and repealing AML4 and (iii) a regulation on information accompanying transfers of funds and certain crypto-assets (recast). On 7 December 2022, the European Council agreed its position on the proposed package of measures. The legislative process in respect of these proposals is currently ongoing and it is currently unknown exactly when, and in what form, they would enter into force.

EMIR

EMIR entered into force on 16 August 2012. EMIR aims to increase transparency regarding OTC derivatives, reduce counterparty credit risks under OTC derivative transactions and reduce operational risks in relation to those transactions. In line with this aim, EMIR establishes certain requirements for OTC derivative contracts, including (i) mandatory clearing obligations, (ii) the mandatory exchange of initial and/or variation margin (the initial margin requirements still being phased-in), (iii) other risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty ('**CCP**') and (iv) reporting requirements.

Subsequent adopted reforms to EMIR have introduced changes to the reporting requirements and the application of clearing thresholds for non-financial counterparties, as well as the introductions of clearing thresholds for small financial counterparties. Furthermore, the central clearing of OTC derivatives with central counterparties established in the UK is subject to ongoing developments and uncertainties in the context of Brexit, including due to (recent and proposed) revisions to EMIR's regulatory framework for non-EU central counterparties and the extension of the equivalence for UK CCPs until 30 June 2025.

Single Supervisory Mechanism

The SSM is one of the elements of the Banking Union. The SSM creates a new system of financial supervision comprising the ECB and the national competent authorities of participating EU countries. Among these EU countries are those whose currency is the euro and those whose currency is not the euro but who have decided to enter into close cooperation with the SSM. Under the new system of supervision, the ECB directly supervises significant credit

institutions as of 4 November 2014. Specific tasks relating to the prudential supervision of credit institutions have been conferred on the ECB by a regulation (Regulation 1024/2013, '**SSM Regulation**'). The SSM Regulation entered into force on 4 November 2014.

NWB Bank is considered a 'significant credit institution' under the SSM and is therefore subject to direct supervision by the ECB. The ECB is the competent authority responsible for supervising significant credit institutions' compliance with the prudential requirements including (among other things) (i) own funds requirements, the LCR, the NSFR, the leverage ratio and the reporting and public disclosure of information on these matters, as set out in CRR and (ii) the requirements to have in place robust governance arrangements, including fit and proper requirements for the persons responsible for the management of the bank, remuneration policies and practices and effective internal capital adequacy assessment. In this context, the ECB will apply the rules and requirements of the CRR and the Dutch implementation of CRD IV in the DFSA to the Dutch significant credit institutions. DNB will remain the supervisory authority in respect of tasks not conferred to the ECB. This includes, amongst other things, payment systems and the preventing of money laundering and terrorist financing pursuant to the Act on the Prevention of Money Laundering and Terrorist Financing (*Wet ter voorkoming van witwassen en financieren van terrorisme*).

Bank Recovery and Resolution Directive

The BRRD and the SRM Regulation provide for the European framework for the recovery and resolution of (amongst others) ailing banks, certain investment firms and certain of their group entities.

The BRRD has been transposed into Dutch law pursuant to the Act implementing the European framework for the recovery and resolution of banks and investment firms (*Implementatiewet Europees kader voor herstel en afwikkeling van banken en beleggingsondernemingen*), which entered into force on 26 November 2015. NWB Bank is subject to the BRRD as implemented in Dutch law.

The SRM Regulation applies to banks subject to the SSM pursuant to Council Regulation (EU) No 1024/2013 and Regulation (EU) No 1022/2013, such as NWB Bank, and provides for a single resolution framework in respect of such banks. The SRM Regulation is applicable since 1 January 2016 and prevails over the implementation in national law of the BRRD where it concerns the resolution of such banks. The SRM Regulation also provides for the establishment of a SRB, which will be responsible for the effective and consistent functioning of the SRM. The SRB acts as the competent resolution authority for significant banks under the SSM, such as NWB Bank, and is in that capacity responsible for adopting resolution decisions in respect of such banks.

The BRRD, as implemented in Dutch law, provides DNB in its capacity as competent national resolution authority with the powers necessary to implement the resolution decisions taken by the SRB in respect of significant banks in the Netherlands, such as NWB Bank. In addition, the ECB, as the competent supervisory authority in respect of significant banks, is allowed to take certain recovery measures in the event the financial condition of a bank is deteriorating (subject to further conditions). Such measures could pertain, amongst others, to a change of the legal or operational structure, the removal of (individuals within) senior management or the management body and the appointment of a temporary administrator.

If NWB Bank would be deemed no longer viable (or one or more other conditions apply) the SRB may decide to write-down, cancel or convert relevant capital instruments of NWB Bank into shares or other instruments of ownership, independently or in combination with a resolution action. The SRB shall ensure that DNB will exercise the write-down and conversion powers pursuant to the BRRD, as implemented in Dutch law, in order to write-down, cancel or convert the relevant capital instruments into shares or other instruments of ownership, and in accordance with a certain order of priority.

If NWB Bank would be deemed to be failing or likely to fail and the other resolution conditions would also be met, the SRB may decide to place NWB Bank under resolution. As part of the resolution scheme to be adopted by the SRB, it may decide to apply certain resolution tools, subject to the general resolution objectives and principles laid down in the SRM Regulation. These resolution tools include the sale of business tool, the bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the SRM provides for the bail-in tool. The bail-in tool may be applied to recapitalise NWB Bank or convert to equity or reduce the principal amount of claims or debt instruments of NWB Bank that have been transferred pursuant to one of the aforementioned transfer tools. The bail-in tool extends further

than the relevant capital instruments of NWB Bank and may also result in the write-down or conversion of eligible liabilities of NWB Bank in accordance with a certain order of priority. In order to ensure the effectiveness of the bail-in tool, the SRM prescribes at all times a MREL which may be subject to the bail-in tool.

According to the SRM Regulation, the national resolution authorities shall take the necessary action to implement decisions of the SRB. They shall exercise their powers granted to them under the BRRD, as implemented in national law. In addition to the resolution powers described above, DNB has been granted certain other resolution and ancillary powers to implement any resolution decision by the SRB in respect of NWB Bank. It may for instance decide to terminate or amend any agreement (including a debt instrument) to which NWB Bank is a party or replace NWB Bank as a party thereto. Furthermore, DNB may, subject to certain conditions, suspend the exercise of certain rights of counterparties vis-à-vis NWB Bank or suspend the performance of payment or delivery obligations of NWB Bank. Such a suspension may also be imposed by the resolution authority pre-resolution. In addition, pursuant to Dutch law, certain counterparty rights may be excluded in the event such rights come into existence or become enforceable as a result of any recovery or resolution measure or any event in connection therewith (subject to further conditions).

Without prejudice to the above, the SRB has decided that with regard to NWB Bank a simplified obligations plan under the SRM Regulation / BRRD will be applied. This means that the SRB's resolution plan for NWB Bank is for NWB Bank to be liquidated in accordance with the Dutch insolvency rules and regulations rather than through a resolution procedure. The SRB may however deviate from this plan and take any of the abovementioned resolution actions.

The EU Banking Reforms introduced various amendments to the BRRD and SRM framework. Among others, the EU Banking Reforms amended the MREL framework to align it with the global total loss-absorbing capacity ('**TLAC**') standard. The TLAC standard aims to ensure that G-SIBs have sufficient loss-absorbing and recapitalization capacity available in resolution. The EU Banking Reforms also introduced changes to the MREL rules applicable to non-G-SIBs such as NWB Bank, including (without limitation) the criteria for the eligibility of liabilities for MREL. Furthermore, MREL requirements are imposed on a (non G-SIB) bank-specific basis. The EU Banking Reforms also resulted in an amendment to a bank creditors' insolvency ranking, enabling banks to issue debt in a new statutory category of unsecured debt, ranking just below the most senior debt and other senior liabilities for the purposes of resolution, while still being part of the senior unsecured debt category. The EU Banking Reforms also resulted in the addition of a tool allowing for the suspension of certain contractual obligations for a short period of time prior to any resolution proceedings. As such, the EU Banking Reforms may affect NWB Bank (including with regard to the MREL it must maintain) and the Notes (including with regard to their ranking in insolvency and their being at risk of being bailed-in). The new rules in respect of the SRM Regulation apply as of 28 December 2020. The new rules in respect of BRRD apply since 21 December 2021.

Benchmark Regulation

Under the Benchmark Regulation, requirements apply with respect to the provision of a wide range of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union. As a supervised entity and user of benchmarks within the meaning of the Benchmark Regulation, NWB Bank, has to comply with certain obligations under the Benchmark Regulation in respect of in-scope products and contracts. This includes the obligation to produce and maintain a robust written plan among others setting out the actions NWB Bank would take in the event a benchmark materially changes or ceases to be provided. Major impact areas have been mitigated (*i.e.* LIBOR exposure, EONIA- €STR discounting switch, the implementation of risk free rates as €STR, SOFR and SONIA and including appropriate fallback language in NWB Bank's contracts). However, as the uncertainty on the EURIBOR rate in the future persists, NWB Bank still adheres to its robust written plan that outlines actions that the bank will take in the event that the EURIBOR rate materially changes or ceases to exist. This plan is commonly referred to and interpreted as a fallback plan that is frequently revised. As EURIBOR only impacts a limited number of client contracts and the impact mainly regards derivative positions, NWB Bank closely monitors the developments on this topic to make sure that as soon needed timely adjustments in contracts and internal processes can be made to comply with the new authorized Benchmark. The effect, if any, on NWB Bank's financial and compliance position is expected to be limited.

Sustainability regulations

ESG matters have been the subject of increased focus in the EU, which resulted in several legislative initiatives including the Taxonomy Regulation and the Corporate Sustainability Reporting Directive (the '**CSRD**'). Through the CSRD and the EU Taxonomy Regulation, the EU seeks to increase the number of companies that need to report sustainability performance data, streamline the reporting requirements on ESG issues such that the data is more readily accessible, reliable and comparable, and simplify the ESG data reporting process for corporate entities.

With the EuGBS, the European Union is aiming to facilitate further development of the European market for green bonds while minimising disruption to the existing green bond market. The EuGBS has therefore been designed as a voluntary standard that will use the detailed definitions of green economic activities in the EU Taxonomy Regulation to define what is considered a green investment. It will therefore aim to reduce the risk of 'Greenwashing' by setting high standard for the issuance of green bonds. It is also proposed that the EuGBS regulation will provide for some voluntary disclosure requirements in a template format for other environmentally sustainable bonds and sustainability-linked bonds that do not wish to use the EuGBS. Lastly, it is proposed that the EuGBS regulation will establish a registration system and supervisory framework for external reviewers of European green bonds. It is proposed that ESMA will be the supervisory authority for these external reviewers.

As many of the sustainability regulations are still in the midst of their development, the full impact thereof on NWB Bank is currently unclear. As a result of these legislative initiatives, NWB Bank will be required to provide additional disclosure to stakeholders on ESG matters, which may demand substantial resources and divert management attention from other tasks. In addition, DNB and the ECB continuously publish further guidance with regard to the abovementioned sustainability regulations, and the management of climate risks and other environmental risks, which credit institutions such as the Issuer are expected to incorporate in their risk management framework. For example, during 2022, the ECB conducted a thematic review of climate-related and environmental risks as part of the ECB Banking Supervision roadmap. The ECB has set institution-specific deadlines for full alignment with its expectations as set out in its 'Guide to climate-related and environmental risks' by the end of 2024. As NWB Bank will have to implement any new regulations and guidance, and expects to have to implement more sustainability-related regulations and guidance in the future, this will give rise to additional compliance costs and expenses.

As described above, the sustainability regulations or failure to comply with the sustainability regulations could therefore have a material adverse impact on NWB Bank's business, reputation and revenues.

Dutch Supervision and Regulation

Dutch Financial Supervision Act

The Dutch regulation for financial supervision is laid down in and based on the provisions of the DFSA, which came into effect on 1 January 2007. The DFSA is partly based on European directives and regulations.

DNB's prudential supervision is aimed at ensuring the financial soundness of financial undertakings, including banks, and contributes to the stability of the financial sector. In order to achieve this, DNB protects the interests of bank creditors, policyholders, investors and financial services customers of financial enterprises. Prudential supervision comprises solvency and liquidity supervision designed to review whether financial enterprises can meet their payment obligations. The supervision aims to reduce the risk of bankruptcy. In case of breach of prudential rules of the DFSA, DNB or the ECB (depending on whether supervision in respect of a particular requirement has been conferred to the ECB or not) may, *inter alia*, issue directions, impose fines and publish information on any imposed sanctions and the context. The rules on prudential supervision are further described below. The exercise of supervision by the ECB pursuant to the SSM and the exercise of resolution powers by the SRB pursuant to the SRM are further described above.

The AFM's conduct supervision focuses on ensuring orderly and transparent financial market processes, proper relationships between market participants and the exercise of due care by financial enterprises in dealing with customers. As part of this, the conduct supervision intends to minimize the potential information gap between providers of financial services and products, and their customers. In case of a breach of conduct rules pursuant to the DFSA, the AFM may, *inter alia*, issue directions, impose fines and publish information on any imposed sanctions and the context thereof.

NWB Bank License under the DFSA

Pursuant to the DFSA, no enterprise or institution established in the Netherlands may pursue the business of a bank unless it has obtained a banking license from DNB. NWB Bank holds a Dutch banking license pursuant to Article 2:11 in conjunction with Article 2:13 of the DFSA to perform banking services in the Netherlands such as granting credits. NWB Bank may also provide investment services under its banking license.

Qualified Holding

An interest or control of 10% or more (a qualified holding) in a Dutch licensed bank requires a declaration of no objection issued by the ECB. In addition, a bank requires a declaration of no objection for specific acts, for example if it wishes to reduce its own funds or to alter its financial or corporate structure.

Aside from the declaration of no objection requirement for qualified holdings in financial enterprises, banks holding specific participating interests may also be required to apply for a declaration of no objection. Such is the case if the participating interest exceeds a given threshold value, for example, when the participating interest constitutes more than 1% of the balance sheet total of the receiving bank. These declarations of no objection are to be issued by DNB.

Banker's Oath / Disciplinary Scheme

In 2013, the bankers' oath, an ethics statement for the financial industry, was introduced in the DFSA (pursuant to the Bankers' Oath Regulation (*Regeling eed of belofte financiële sector*)) for a financial institution's day-to-day policy makers and supervisory board members. As of 1 April 2015 the scope of people required to take the oath or solemn affirmation has been broadened to include any person that works under the responsibility of a bank in the Netherlands and has an employment contract with a bank or otherwise contributes to the substantial business of the bank.

The Dutch Banking Association (*Nederlandse Vereniging van Banken*, '**NVB**') has established a Disciplinary Regulation (*tuchtreglement*) that lays down the consequences of breaching certain conduct rules and procedures for filing a complaint against individual employees. Employees of a bank must adhere to this disciplinary scheme and the conduct rules, by signing a disciplinary scheme declaration pursuant to the DFSA.

Dutch Banking Code (2014)

The NVB has revised the Dutch Banking Code 2010. The Banking Code entered into force on 1 January 2015 and is designed to make a contribution to public trust in banks and their role in the community. The principles in the updated Banking Code emphasize the importance of sound and ethical operations by banks and set this out in certain principles for (i) the executive board, (ii) the supervisory board, (iii) risk management, (iv) audit and (v) remuneration.

Dutch Intervention Act

The Dutch Intervention Act (*Wet bijzondere maatregelen financiële ondernemingen* or *Interventiewet*), as incorporated in the DFSA and as supplemented/amended, provides the Dutch Minister of Finance with certain powers to intervene in a bank established in the Netherlands, such as NWB Bank, if the Dutch Minister of Finance deems that the stability of the financial system is in serious and immediate danger due to the situation that bank is in. These powers may result in the expropriation by the Dutch State of assets or liabilities of NWB Bank, claims against NWB Bank, and securities issued by or with the cooperation of NWB Bank. Also, the Dutch Minister of Finance may take certain immediate measures which may deviate from statutory provisions or from the articles of association of NWB Bank. As a result of the entry into force of the SRM and the implementation of the BRRD, the foregoing powers have been referred to by the Dutch legislature as constituting state emergency regulations and it is expected that these will only be applied if the SRM and BRRD regime would not be effective. The exclusion of certain rights against NWB Bank, as discussed above with respect to the BRRD, applies similarly in this context.

Dutch Bank Levy

NWB Bank qualifies as a tax payer under the Dutch Banking Tax Act (*Wet Bankenbelasting)*. In 2022, 2021 and 2020, the tax owed (including resolution levy) was €27.7 million, €38.4 million and €11.7 million, respectively. The bank levy was higher in 2022 compared to 2021 and 2020 due to a generic one-off rate that was 50% higher than in 2021. The € 11.7 million in 2020 includes a restitution of the resolution levy of €15 million for the years 2016 to 2018.

SELECTED FINANCIAL DATA

NWB Bank's audited financial information as at and for the years ended 31 December 2022, 2021 and 2020 set out or incorporated by reference herein (the '**Financial Information**') has been prepared in accordance with generally accepted accounting principles in the Netherlands prepared on the basis of Title 9 of Book 2 of the Dutch Civil Code and the Dutch Accounting Standards ('**DAS**') as issued by the Dutch Accounting Standards Board ('**DASB**') (hereinafter collectively '**Dutch GAAP**'). The financial information for the years ended 31 December 2022, 31 December 2021 and 31 December 2020 have been audited by Ernst & Young Accountants LLP ('**Ernst & Young**'). Unless otherwise indicated, the financial information in this Base Prospectus relating to NWB Bank has been derived from the Financial Information.

NWB prepares its financial statements in accordance with Dutch GAAP in order to better reflect its position as a public-sector bank. NWB Bank elected to convert to Dutch GAAP, because IFRS-EU did not provide for the possibility to cease applying the fair value option on a retrospective basis. Dutch GAAP has several specific choices in respect of the measurement and recognition of gains and losses on financial instruments. The measurement and recognition choices depend on the category in which the financial instrument is classified. Under Dutch GAAP, NWB Bank measures its loans (granted and funded) at amortized cost and continues to measure its derivatives at fair value and subsequently applies fair value hedge accounting.

The differences between applying Dutch GAAP and IFRS-EU (if IFRS-EU is applied without the fair value option, but with hedge accounting) are minimal. As a general policy, NWB Bank applies the options under Dutch GAAP to enable maximum convergence with IFRS-EU. NWB Bank believes that Dutch GAAP provides it with a better and fairer alternative compared to accounting under IFRS-EU and when used, appropriately reflects a true and fair view of its financial position and results in its financial statements.

The following table sets out certain selected financial data as at and for the years ended 31 December 2022, 2021, 2020, 2019 and 2018 prepared in accordance with Dutch GAAP.

	As at and for the year ended 31 December				
	2022[1)]	**2021**	**2020**	**2019**	**2018**
	(€ millions, except percentages and per share data)				
Balance Sheet					
Long-term loans and advances (nominal value)[2)]	52,167	51,888	49,844	49,436	47,644
Equity	1,995	1,902	1,827	1,796	1,726
Tier 1 Capital	2,155	2,083	2,049	2,010	1,938
Total assets	73,285	96,019	106,882	96,205	83,715
Risk-weighted assets	4,792	4,641	3,833	3,277	2,627
Results					
Net interest income	301	286	244	213	234
Results from financial transactions	-30	-20	-55	-39	-48
Operating income	271	266	189	174	186
Operating expenses	44	35	42	27	22
Bank tax and resolution levy	28	38[3)]	12	22	27
Expected Credit Loss	-	-	-	-	-
Extraordinary income	-	-	-[4)]	11	-
Income tax	56	72	54	41	37
Net profit	143	121	81	95	100
Dividend					
Dividend distribution	60.0	50.0	45.0	55.0	20.0
Dividend (in euros per share)	1,017.1	847.6	762.9	932.4	339.0

1) An explanation of the calculation of the quantities shown in the key figures is included in the 'Glossary' of the Annual Report 2022

2) Loans including interest-bearing securities, provided to regional authorities

3) Including a restitution of € 15 million for the years 2016 to 2018

4) Extraordinary income as a result of change in the pension scheme

	As at and for the year ended 31 December				
	2022[1)]	**2021**	**2020**	**2019**	**2018**
	(€ millions, except percentages and per share data)				
Ratio (in %)					
Tier 1 ratio	45.0	44.9	53.5	61.3	73.8
CET 1 ratio	38.3	38.0	45.1	51.6	61.6
Cost/income ratio[2)]	16.2	13.0	22.2	15.5	11.8
Dividend pay-out ratio	41.9	41.2	55.9	58.2	20.1
Leverage ratio [3)]	18.9	14.3[4)]	13.2	15.1	-
Leverage ratio (not adjusted for promotional assets)[5)]	3.1	2.6[6)]	2.4[6)]	2.3	2.5
Liquidity coverage ratio	285	183	150	204	222
Net stable funding ratio	141	133	122	118	129
CSR					
Volume of sustainable bonds issuance	4,703	3,550	4,531	2,538	2,744
CO_2 emissions equivalents from operating activities p.p (in tonnes)	0.9	1.2	1.5	2.8	3.7
CO_2 emissions equivalents PCAF portfolio coverage (in%)	93.8	93.6	94.6	95.1	-
CO_2 emissions equivalents loans portfolio (in kton)	1,623[7)]	1,760[7)]	1,860[7)]	1,959[7)]	-

1) An explanation of the calculation of the quantities shown in the key figures is included in the 'Glossary' of the Annual Report 2022

2) 'Cost' concerns the operating expenses and 'income' the operating income

3) Taking into account the proportional calculation for promotional banks according to CRR II as of 27 June 2019

4) 53.0% applying Decision (EU) 2021/1074 of 18 June 2021 on the temporary exclusion of certain exposures to central banks from the total exposure measure in view of the COVID-19 pandemic (ECB/2021/27)

5) Not taking into account the proportional calculation for promotional banks

6) Taking into account Decision (EU) 2021/1074 of 18 June 2021 on the temporary exclusion of certain exposures to central banks from the total exposure measure in view of the COVID-19 pandemic (ECB/2021/27)

7) Based on 93.8% of the loan portfolio (2021: 93.6%); The 2021, 2020 and 2019 figure is recalculated to the most actual methodology

OPERATING AND FINANCIAL REVIEW

The following operating and financial review is intended to convey management's perspective on the operating performance and financial condition of NWB Bank during the periods under review, as measured in accordance with Dutch GAAP. This disclosure is intended to assist readers in understanding and interpreting the Financial Information of NWB Bank incorporated by reference in this Base Prospectus. The discussion should be read in conjunction with the Financial Information of NWB Bank and the accompanying notes which are incorporated by reference in this Base Prospectus.

This discussion and analysis contains forward-looking statements that involve risks and uncertainties. NWB Bank's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Base Prospectus, particularly under the headings 'Risk Factors' and 'Cautionary Statement Regarding Forward-looking Statements'.

In this operating and financial review, references to '2022', '2021' and '2020' refer to the years ended 31 December 2022, 2021 and 2020, respectively.

Overview

NWB Bank is a specialized lender to the public sector primarily in the Netherlands, providing short-term and long-term financing to water authorities, municipal and provincial authorities as well as to other public sector institutions such as social housing corporations, healthcare and educational institutions. NWB Bank is also a financing partner for enhancing sustainability in the Netherlands by providing financing to renewable energy projects. NWB Bank believes it is a key bank for the Dutch public sector, fulfilling a critical role supported by the Dutch State.

Principal Factors Affecting Results of Operations

General economic conditions

At the start of 2022, the global economy continued to face uncertainty in relation to the lingering effects of COVID-19 variants. This uncertainty was further compounded as the year progressed by the war in Ukraine and resulting energy crisis, which caused an inflationary ripple effect globally. This, alongside the continued rise in global inflation rates and slowdown in China due to the lingering effects from the COVID-19 pandemic and lockdowns, meant that the global economy faced steep challenges the later stages of 2022. It is expected that the war in Ukraine, in particular, will continue to impact the global economy throughout 2023. The International Monetary Fund ('**IMF**') is forecasting global economic growth to fall from an estimated 3.4% in 2022 to 2.8% in 2023. This is 0.1% higher than previously predicted in January 2023, reflecting strong Q3 2022 growth and greater-than-expected resilience in numerous economies. Similarly, global trade growth is expected to decline in 2023 to 2.4%, despite an easing of supply-chain bottlenecks and lower transportation costs seen in Q4 2022.[21]

Forecasts for growth in Europe are projected to decline to 0.7% in 2023 from 3.5% in 2022.[22] The forecasts for the four largest economies in the Eurozone (Germany, France, Italy and Spain), and the Eurozone in general, remain modest, impacted by high energy prices and heightened inflation rates with the IMF predicting real GDP growth rates in Germany, France, Italy and Spain to fall to 0.1%, 0.7%, 0.7% and 1.5%, respectively in 2023.[23] The increase to the forecast initially projected in October 2022 reflects the effects of faster interest rate hikes by the ECB and eroding real incomes, offset by the carryover from the 2022 outturn, lower wholesale energy prices, and additional announcements of fiscal purchasing power support in the form of energy price controls and cash transfers.[24] See '*Risk Factors - NWB Bank's business and results of operations may be negatively affected by actual or perceived local and global economic and financial market conditions'*.

[21] Source: International Monetary Fund: World Economic Outlook Update April 2023.
[22] Source: International Monetary Fund: World Economic Outlook Update April 2023.
[23] Source: International Monetary Fund: World Economic Outlook Update April 2023.
[24] Source: International Monetary Fund: World Economic Outlook Update April 2023.

The moderate 2023 growth forecasts also reflect the expected continued rise in central bank rates to combat inflation– especially in advanced economies. During the course of 2022, the ECB, Bank of England and U.S. Federal Reserve all steadily raised interests from near 0% to 2.5%[25], 3.5%[26] and 4.5%[27] respectively in December 2022. As at the date of this Base Prospectus, these rates have further increased to 3.5%[28], 4.25%[29] and 4.75%[30] signalling a continued focus on reducing inflation. The IMF predicts that global inflation rates will fall from 8.7% in 2022 to 7.0% in 2023.[31] The projected reduction in inflation partly reflects declining international fuel and nonfuel commodity prices due to weaker global demand. It also reflects the anticipated cooling effects of monetary policy tightening on underlying (core) inflation, which globally is expected to decline from 6.9% in the fourth quarter of 2022 (year over year) to 5.1% by the fourth quarter of 2023.[32]

In March 2023, it was announced by the U.S. Federal Reserve Board that it would make additional funding available to Silicon Valley Bank and Signature Bank in the U.S. following the former's collapse in the form of a new Bank Term Funding Program to ensure that each institution could meet the needs of depositors in the wake of liquidity instability. In the same week, the Swiss National Bank announced that it would lend SFR 50 billion in the form of a term loan to Credit Suisse alongside a SFR3 billion buyback of its debt securities in order meet immediate liquidity constraints. In the short-term it appears that markets have been quelled by these immediate cash injections. Shortly thereafter, it was announced that UBS AG would purchase Credit Suisse at a 60% discount to its last trading price. It remains to be seen how and if these two market events will have a wider impact on markets and financial institutions, such as NWB Bank, in particular in 2023. In the wake of these two events, the ECB still elected to increase interest rates by 50 basis points on 16 March 2023 with the U.S. Federal Reserve following suit on 22 March 2023, increasing rates by 25 basis points[33], signalling that currently, quelling inflation remains a priority.

The Dutch economy is expected to grow slowly in 2023 despite high inflation rates, the cooling of the global economy, high interest rates and a correction in the housing market. The IMF is forecasting an annual percentage change in real GDP for the Netherlands of around 1.0% for 2023 in comparison to 4.5% in 2022.[34] In 2022, the government's budget deficit fell below the ceiling of 3% of gross domestic product (GDP) (which it complied with until implementing pandemic-era relief packages in 2020) by reaching 1.1%[35] of GDP, while the Dutch EMU debt continued to remain below the threshold of 60% of GDP. GDP in the Netherlands rose by 4.5% in 2022 compared with an increase of 4.9% in 2021.[36]

The exportation of goods and services increased by 8.6% in 2022 compared to a 6.9% decrease in 2021 and projections suggest it is set to decrease by 16.3% in 2023.[37] Government consumption as a percentage of GDP decreased to 0.7% in 2022 compared with 5.2% in 2021.[38] Investments in tangible fixed assets decreased by 1.9% in December 2022 compared to December 2021.[39] In 2022, the average number of people unemployed in the Netherlands decreased to 3.5% of the working population, from 4.2% in 2021 (2020: 4.2%). The IMF is forecasting an unemployment rate for the Dutch working population of 3.9% for 2023, just slightly lower than the percentage forecast in 2022 of 4%.[40]

Inflation in the Netherlands was approximately 11.6% in 2022 (2021: 2.8%; 2020: 1.1%), and although government projections suggest it is set to decrease to 2.9% in 2023, in Q1 2023 inflation was reported at 8%.[41] The increasing

[25] Source: European Central Bank: Eurosystem (https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html).
[26] Source: Bank of England (https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate).
[27] Source: U.S. Federal Reserve (https://www.federalreserve.gov/releases/h15/).
[28] Source: European Central Bank: Eurosystem (https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html).
[29] Source: Bank of England (https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate).
[30] Source: U.S. Federal Reserve (https://www.federalreserve.gov/releases/h15/).
[31] Source: IMF World Economic Outlook April 2023.
[32] Source: IMF World Economic Outlook April 2023.
[33] Source: U.S. Federal Reserve (https://www.federalreserve.gov/releases/h15/).
[34] Source: IMF: World Economic Outlook October 2022.
[35] Source: CPB Netherlands Bureau for Economic Policy Analysis (*Centraal Planbureau*).
[36] Source: Statistics Netherlands (*Centraal Bureau voor de Statistiek*).
[37] Source: CPB Netherlands Bureau for Economic Policy Analysis (*Centraal Planbureau*).
[38] Source: Statistics Netherlands (*Centraal Bureau voor de Statistiek*).
[39] Source: Statistics Netherlands (*Centraal Bureau voor de Statistiek*).
[40] Source: IMF: World Economic Outlook October 2022.
[41] Source: CPB Netherlands Bureau for Economic Policy Analysis (*Centraal Planbureau*).

inflation rate in 2022 was influenced by higher fuel, energy and food costs and on-going supply chain disruptions. In the Eurozone as a whole, inflation increased for the year-end 2022 to 8.49% (2021: 5.0%; 2020: 1.3%).[42]

As evidenced by the statistics above, economic conditions in Europe and the Netherlands in the fourth quarter of 2022 generally resulted in a degree of GDP growth, lower unemployment rates and more stable property markets, which has moderately raised consumer spending. Despite this slight economic uptick, volatility resulting from factors such as changes in interest rates, energy prices, securities prices, credit and liquidity spreads, exchange rates, consumer spending, business investment, real estate valuations, government spending, inflation, the capital markets and other destabilizing forces such as geopolitical tensions or acts of war or terrorism, is expected to present a challenging environment for NWB Bank's public sector clientele in 2023.

NWB Bank's long-term lending volumes decreased by €2.5 billion in 2022 when compared to the previous year. This was primarily due to a record amount of loans provided to clients in the Dutch public sector in 2021. In 2022, the loan portfolio grew to over €52 billion. NWB Bank expects slightly lower lending volumes in 2023 due to fewer expected redemptions. See also '*Nederlandse Waterschapsbank N.V. – Competition*' and '*Risk Factors – NWB Bank is exposed to certain concentration risks in its loan portfolio*' above and '*– Selected Balance Sheet Items at 31 December 2022, 31 December 2021 and 31 December 2020 – General*' below.

NWB Bank believes that the economic and market conditions in the Netherlands and Western Europe in general will continue to affect NWB Bank's results of operations. In particular, NWB Bank's ability to generate revenues and expand its loan portfolio in the future largely depends on good economic and market circumstances within the Netherlands, which in turn relies on good economic and market circumstances in Western Europe. For more information relating to macro-economic risks to NWB Bank, see '*Risk Factors – NWB Bank's business and results of operations may be negatively affected by actual or perceived local and global economic and financial market conditions' and* '*Risk Factors – A stalling of economic recovery in Europe may adversely affect NWB Bank's business and results of operations*'.

Regulatory changes and operating expenses

Increased regulatory burdens, stricter requirements imposed by supervisory authorities, the change to prudential supervision by the ECB, the implementation of the European market infrastructure regulation, the transition to the single European payments area, the introduction of the bank tax, and more complex accounting rules contributed to an increase in NWB Bank's operating expenses in recent years, which was partly of a permanent nature. NWB Bank has increased its permanent workforce and temporary employees over the past three years (the average number of FTEs (including the Managing Board) increased from 71.7 in 2020 to 89.3 in 2021 and further to 103.7 in 2022 in order to manage increasingly complex operations such as risk management, compliance and ICT, as well as to more intensively support new growth and development projects and activities. In 2022, NWB Bank maintained its international funding activities, in particular its Euro and U.S. Dollar commercial paper programs and intensified its customer relations. Operating expenses increased to €73 million in 2021 (2020: €54 million) and remained constant at €73 million in 2022.

Furthermore, pursuant to the BRRD and SRM Regulation, NWB Bank is required to make contributions to the SRF. The SRF is funded by *ex-ante* annual contributions from credit institutions in participating EU countries, such as NWB Bank. The SRF will be built up over a period of eight years starting from the year 2016 to reach a target level of at least 1% of the amount of covered deposits of all credit institutions authorized in all the participating EU countries. These contributions increase NWB Bank's operating expenses. In 2022, NWB Bank's contribution to the SRF amounted to €10.7 million before tax (2021: €7.2 million).

Borrowing and debt obligations

In response to record levels of inflation, central banks across the globe have tightened monetary policies put in place in response to the COVID-19 pandemic, including interest rate hikes in order to mitigate these issues. The U.S. Federal

[42] Source: Eurostat.

Reserve led the initial rate hikes in 2022. However, as inflation rates continued to rise, the ECB soon followed suit after ending its asset purchase program in July 2022 with a series of aggressive rate hikes.

NWB Bank has been able to maintain a good funding record during period from 2020 to 2022 with a diversified investor base and well spread tenors. Throughout this period NWB Bank has been able to access the capital markets, raising €10.9 billion in long-term funding in 2022 compared with €8.3 billion in 2021 and €13.7 billion in 2020. In 2020, NWB issued €4.5 billion in funding by way of ESG Bonds. This consisted of a SEK 500 million 3-year tap and a USD 500 million 10-year benchmark under the Green Bond framework, next to €2 billion 3-year, €1 billion 15-year and USD 1 billion 5-year benchmarks and USD 210 million private placements in SDG format. In 2021, NWB Bank issued € 8.3 billion. In 2022, NWB issued €4.7 billion in funding by way of ESG Bonds consisting of €4.1 billion in SDG Housing Bonds and €0.6 billion in Water Bonds The proceeds of the SDG Housing Bonds are specifically used for the financing of social housing and aim to provide affordable housing to citizens with a low to average income and at the same time enhance social wellbeing and create liveable communities. The proceeds of the Green Bonds, also referred to as Water Bonds, are used to finance projects of water authorities that contribute to climate mitigation, climate adaption and biodiversity.

NWB Bank's Aaa and AAA ratings by Moody's and Standard & Poor's, have had and continue to have, a significant effect on NWB Bank's cost of funding, as well as the cost of funding to its principal customers.

In 2022, the average maturity of the new debt securities was 6.8 years, down by 3.1 years from 9.9 years in 2021.

Of the €10.9 billion raised in 2022, 17% was raised in U.S. Dollars, 63% was raised in Euros and the remainder was raised in among others British Pounds, Australian dollars, New Zealand and Swiss Francs.

This compares to 2021, when 22% was raised in U.S. Dollars, 56% was raised in Euros and the remainder was raised in in among others British Pounds, Australian dollars, New Zealand and Swiss Francs, and 2020, when 56% was raised in U.S. Dollars, 41% was raised in Euros and the remainder was raised in Australian dollars. At 13% in 2022, the U.S. Dollar's share in total long-term funding was slightly lower compared with 14% in 2021, due to an increase in U.S. Dollar funding maturing to Euros.

NWB Bank is an active issuer of both Euro and U.S. Dollar commercial paper having issued €257.2 billion (equivalent) in aggregate over 2022. In 2022, NWB Bank issued €76 billion equivalent in aggregate with maturities averaging 1.13 months under its euro-commercial paper ('**ECP**') and certificate of deposit program, and €181.2 billion equivalent in aggregate with maturities averaging 0.5 months under its US commercial paper program. The aggregate €257.2 billion issued over 2022 compared with €189.5 billion over 2021 and €144.5 billion over 2020. NWB Bank views commercial paper as a feasible way of raising significant amounts of attractively priced funds and allowing it to time the issuance of long-term debt instruments with greater flexibility.

Interest rates

Interest rates in Europe were at historically low levels until mid-2022. However, due to inflationary pressures, in the second-half of 2022 the ECB steadily increased interest rates following the winding down of it's pandemic-era quantitative easing programs. The euro-short term rate ('**€STR**'), which was launched on 2 October 2019 as a replacement for the European Overnight Index Average which ceased to be published in 2021, has currently traded within a range of 2.898% and 2.902%[43] in April 2023. The ECB benchmark interest rate has also risen for the first time since 2013 to 3.5%. The ECB has maintained that it is prepared to adjust all instruments within its mandate to ensure that inflation returns to its 2% target over the medium term and to preserve the smooth functioning of monetary policy should inflation rates continue to rise.

Fluctuations in short-term and medium- to long-term interest rates impact NWB Bank's interest result differently based upon the repricing profile of its interest-earning assets and interest-bearing liabilities, which is set forth in note 33 'Fair value of financial instruments' and note 35 'Risk management' of the Financial Information for the years ended 31 December 2022, 2021 and 2020 incorporated by reference in this Base Prospectus. NWB Bank's repricing profile depends upon the pricing terms applicable to its products (including base interest rates and yield curves), the

[43] Source: Eurostat.

mix of funding and lending instruments in NWB Bank's portfolio and the extent of NWB Bank's use of interest rate-related derivative contracts. As a general matter, independent of fluctuations in interest rates, NWB Bank relies on steady interest margins. However, fluctuations in interest rates do not affect NWB's interest rate margins as significantly as certain other financial institutions, as NWB Bank relies mainly on funding from the capital markets, and NWB Bank's borrowing and lending maturities are closely matched.

NWB Bank also uses a variety of derivative products to seek to minimize the risks related to interest rate fluctuations. In 2022, increased prevailing market interest rates contributed to a lower fair value adjustment on assets (basis adjustment) and were therefore a main cause of the decrease in total assets of €22.7 billion to €73.3 billion from €96 billion in 2021. See '*Risk Factors – NWB Bank may be unable to manage its risks successfully through derivatives*'.

Hedging Policy of NWB Bank

NWB Bank generally uses a hedging policy designed to minimize foreign exchange risks and manage interest rate sensitivity.

NWB Bank manages the fair value changes due to the changes in the interest rates of its financial assets and liabilities and applies fair value hedge accounting. NWB Bank applies two types of fair value hedge accounting, which are micro hedging and macro hedging.

Micro hedging relates to individual transactions which are included in an economic hedge relationship covering interest rate and foreign exchange risks. It involves a one-on-one relationship between the hedge instrument and the hedged item.

Macro hedging relates to a group of transactions that is hedged, for interest rate risk purposes, by using a group of derivative financial instruments. There is not always a one-on-one relationship between the hedged item and the hedging instrument at an individual level. It is demonstrated at a portfolio level that the derivative financial instruments in question set off the fair value changes caused by interest rate fluctuations.

NWB Bank hedges its financial assets for interest rate risk on a portfolio basis. These assets are swapped from fixed rate to floating interest rate. A substantial portion of these assets are designated in a macro fair value hedge. As substantially all of NWB Bank's assets are denominated in Euros, no foreign exchange risk hedging is necessary.

NWB Bank hedges its financial liabilities on a transaction basis, swapping these liabilities to floating interest rate. With respect to funding in foreign currencies, the foreign exchange risk is also fully hedged together with the interest rate risk at the outset. Substantially all funding transactions are designated into micro fair value hedge relationships, together with the corresponding cross currency interest rate swaps if and when applicable.

For the aforementioned portfolio hedges, the combined assets and liabilities together with the designated hedging instruments have an interest rate sensitivity of close to zero. Consequently, the fair value movements of the combined portfolio will not affect the income statement materially. Since the hedging instruments continue to be measured at fair value, while the loans are recorded on the basis of historic cost, a basis adjustment to the loans is recorded to offset the changes in value of the corresponding swaps. NWB Bank assesses and reports the results to the ALCO on a biweekly basis.

Results of Operations

Overview

The table below sets forth NWB Bank's results of operations for the years ended 31 December 2022, 2021 and 2020 prepared in accordance with Dutch GAAP:

	Year ended 31 December		
	2022	2021	2020
		(€ millions)	
Interest and similar income	2,799	3,192	1,468
Interest and similar expense	2,497	2,906	1,224
Net interest income	**302**	**286**	**244**
Results from financial transactions	(30)	(20)	(55)
Other operating income	-	-	-
Total operating income	**272**	**266**	**189**
Employee benefits expense	17	13	12
Other administrative expenses	24	19	27
Employee benefits expense and other administrative expenses	**41**	**32**	**39**
Depreciation, amortization and value adjustments of tangible and intangible assets	4	3	3
Bank tax and resolution levy	28	38	12
Total operating expenses[(1)]	**73**	**73**	**54**
Profit from ordinary operations before tax	199	193	135
Tax on profit from ordinary operations	56	72	54
Net Profit	**143**	**121**	**81**

[(1)] Including bank tax and NWB Bank's payments to the SRF.

Description of key income statement items

Interest

Interest and similar income consists of income on loans and receivables, interest-bearing securities, cash, cash equivalents and deposits at the Central Bank, as well as interest-like commission received, fees received for the early redemption of financial instruments to which no hedge accounting is applied, premiums and discounts. Premiums and discounts on loans and receivables not stated at fair value are recognised using the effective interest method, together with the relevant interest income. Interest and similar income excludes amounts received from prepayment of financial instruments subject to hedge accounting and includes negative interest expense.

Interest and similar expense consists of interest expense on liabilities, whether or not embodied in debt securities, and derivatives, as well as interest-like commission paid, fees paid for early redemption, premiums and discounts. Premiums and discounts on debts, whether or not embodied in debt securities, not stated at fair value are recognised using the effective interest method, together with the relevant interest expense. Interest and similar expense also consists of negative interest income. Interest and similar expense excludes amounts received from prepayment of financial instruments subject to hedge accounting and includes negative interest expense.

Results from financial transactions

This item consists of: (i) unrealized and realized changes in the fair value of derivatives included in macro hedge accounting, (ii) the revaluation of financial assets and liabilities included in hedge accounting, (iii) ineffectiveness in macro and micro hedge accounting, (iv) other changes in the fair value of restructured derivatives included in hedge accounting, (v) changes in the fair value of restructured derivatives included in hedge accounting and (vi) results from maturity extensions and early redemptions.

Total operating expenses

Operating expenses includes employee benefits expense, which includes remuneration of the Managing Board and other administrative expenses. Other administrative expenses include the cost of accommodation, office expenses, general expense, the remuneration of Supervisory Board members and audit fees. The operating expenses also include the bank tax and NWB Bank's payments to the SRF.

Results of Operations for 2022 compared to 2021

Interest

Net interest income increased from €286 million in 2021 to €302 million in 2022, an increase of €16 million or approximately 6% mainly due to the participation in the TLTRO with an attractive rate in the first half of 2022.

Interest and similar income on loans and receivables at amortised cost decreased by €393 million from €3,193 million in 2021 to €2,799 million in 2022, mainly due to a decrease in interest income on derivatives of €334 million due to movements in interest rates resulting in outstanding derivatives for the year 2021 having higher fixed rate coupons than positions closed in 2022.

The table below sets forth the components of total interest income for the years 2022 and 2021.

	Year ended 31 December	
	2022	**2021**
	(€ millions)	
Interest income on cash, cash equivalents and deposits at the Central Bank and loans and receivables at amortized cost……	1,301	1,321
Interest income on interest-bearing securities……..	26	16
Derivatives……	1,396	1,730
Commission……..	4	3
Negative interest expenses[(1)]……	72	123
Interest income…….	**2,799**	**3,193**

[(1)] This item consists of negative interest on the financial liabilities banks, funds entrusted and debt securities.

Total interest income, being interest income on cash, cash equivalents and deposits at the Central Bank and loans and receivables at amortized cost and interest income on interest bearing securities, decreased by €10 million to €1,327 million in 2022 compared to €1,337 million in 2021.

The table below sets forth the components of total interest and similar expense for the years 2022 and 2021.

	Year ended 31 December	
	2022	**2021**
	(€ millions)	
Interest expense on banks, funds entrusted, hybrid capital and debt securities at amortized cost……..	1,096	994
Derivatives (net interest income/expense)[(1)]…….	1,376	1,676
Negative interest income[(2)]……	27	237
Interest expense…….	**2,498**	**2,906**

[(1)] This item consists of net interest income/expense on derivatives as a result of the difference between the fixed pay component on interest rate swaps and the floating rate NWB Bank receives on the swap, recognized as an interest expense when the result is negative and as interest income when the result is positive.

(2) This item consists of negative interest on the financial assets, cash, cash equivalents and deposits at the Central Bank, banks, and loans and receivables.

Total interest and similar expense decreased by €408 million to €2,498 million in 2022 from €2,906 million in 2021. This decrease was primarily due to lower negative interest income due to higher interest rates.

Results from financial transactions

The table below sets out the components of value movements recorded on the income statement for the years 2022 and 2021.

	Year ended 31 December	
	2022	**2021**
	(€ millions)	
Changes in the fair value of derivatives included in macro-hedge accounting……	17,831	6,441
Revaluation of financial assets and liabilities included in macro-hedge accounting…	(17,840)	(6,442)
Macro hedge accounting ineffectiveness……..	(8.3)	(0.6)
Micro hedge accounting ineffectiveness……...	7.0	0.8
Total hedge accounting ineffectiveness……	(1.3)	0.1
Other changes in the fair value of restructured derivatives included in hedge accounting…….	(33)	(38)
Changes in the fair value of derivatives not included in hedge accounting…….	1	2
Change in counterparty credit risk (CVA/DVA)……..	(17.7)	(0.1)
Results from maturity extensions and early redemptions…….	21	14
Other fair value changes……...	(0.2)	1.5
Total……..	**(30)**	**(20)**

Results from financial transactions decreased by €10 million from a loss of €20 million in 2021 to a loss of €30 million in 2022, which is mainly due to the counterparty credit risk (on one counterparty) partially offset by a higher result from maturity extensions and early redemptions. An earlier restructuring of the swap portfolio undertaken by NWB Bank a number of years ago to bring its interest rate risk position into line with the benchmark return on equity will continue to have a negative impact on the overall results from financial transactions in the next few years.

The changes in the fair value of derivatives included in macro hedge accounting primarily reflected movements in interest rates.

In 2022 and 2021, the movements in the revaluation of financial assets and liabilities included in hedge accounting (a loss of €1.3 billion in 2022 and a gain of €0.2 billion in 2021) were primarily due to movements in interest rates. The bulk of interest rate risk to which NWB Bank is exposed in relation to its financial assets or liabilities is customarily hedged through the use of financial instruments. In market value terms, value movements resulting from interest rate fluctuations are offset through the use of derivatives, although there may be significant movements in the individual assets, liabilities and derivatives from year to year as evidenced in the line items above. Where the hedge relationship is effective, hedge accounting enables NWB Bank to neutralize in principle the difference in result recognition between the hedging instrument and the hedged position.

The changes in the fair value caused by the restructuring of the derivatives portfolio on several occasions in the past with a view to managing the interest rate risk position had a favorable effect on net interest income (lower interest expenses).

Operating expenses

Operating expenses remained constant at €73 million incurred, principally due to a decrease in bank tax in 2022 offset by higher other administrative costs and higher employee benefits expense. In 2022, the total amount of bank tax paid was €18.6 million (2021: €32.3 million).

As a bank, NWB Bank is subject to changes to taxes, levies or fees applicable to banks. In 2012, the Dutch bank tax was introduced. This tax exclusively affects financial institutions with a banking license and is similar to bank taxes introduced in other EU Member States following the financial crisis. The principal aim of the Dutch bank tax is to have the entire banking sector contribute towards the costs incurred by the government to support certain banks during the financial crisis and to mitigate the risk inherent in certain banking activities. The taxable amount is based on the amount of the balance sheet total at the end of the preceding financial year after applying certain reductions. The taxable amount is divided in two parts based on the ratio of short-term liabilities at the end of the previous financial year, which amounted to €14,909 million in 2022 (2021: €17,517 million), and long-term liabilities for the previous financial year, which amounted to €79,208 million in 2022 (2021: €87,539 million). The amount of the short-term liabilities is subject to bank tax at a rate of 0.044%, and the amount of the long-term liabilities is subject to bank tax at a rate of 0.022%. The bank tax decreased to €18.6 million in 2022 compared to €32.3 million in 2021. The amount for financial year 2021 was notably higher because a generic one-off 50% higher rate applied in that financial year.

The table below sets out the components of employee benefits expense for the years 2022 and 2021. In 2022, the classification of interest income and expenses on derivatives changed to include a breakdown of interest income and expenses on derivatives. The figures below reflect the comparison available for 2020 – 2021 based on the 2020 and 2021 annual reports.

	Year ended 31 December	
	2022	**2021**
	(€ millions)	
Wages and salaries……	9.8	8.0
Pension costs…….	1.7	1.4
Other social security costs…….	1.0	0.8
Other staff costs……	4.0	2.9
Total……..	**16.5**	**13.0**

Employee benefits expenses increased by €3.5 million from €13.0 million in 2021 to €16.5 million in 2022, due to an increase in headcount during the year and index-linked negotiated wages and other annual increments. Other staff costs increased due to the higher cost of temporary staff. Other administrative expenses amounted to €19 million in 2021 and €24 million in 2022.

Profit from ordinary operations before tax

Profit from ordinary operations before tax increased from €193 million in 2021 to €199 million in 2022, an increase of €6 million, or 6%. The result of the participation in the TLTRO with an attractive rate partially offset by a more negative result on financial transactions contributed to the increase. NWB Bank's ratio of operating expenses (total operating expenses less bank tax and resolution levy) to operating income was 13.0% in 2021 and 16.2% in 2022.

Tax on profit from ordinary operations

Tax on profit from ordinary operations decreased from €72 million in 2021 to €56 million in 2022. This decrease of €16 million, or 22%, was primarily due the thin cap rule charge in 2021. The effective tax rate was 28.2% in 2022 (2021: 37.2%), which primarily reflected the company income tax of 25.8%, the non-deductibility of the bank tax and the thin cap rule.

Net Profit

As a result of the foregoing, net profit increased from €121 million in 2021 to €143 million in 2022, an increase of €22 million, or 18%, which was mainly explained by an improved net interest income (including NWB Bank's participation in the TLTRO at attractive rates in the first half of 2022) and a lower bank tax.

Results of Operations for 2021 compared to 2020

Interest

Net interest income increased from €243 million in 2020 to €286 million in 2021, an increase of €42 million or approximately 17% mainly due to the participation in the TLTRO with an attractive rate.

Interest and similar income on loans and receivables at amortized cost decreased by € 5 million from €1,467 million in 2020 to €1,463 million in 2021, because of a decrease in interest income on cash, cash equivalents and deposits at the Central Bank, banks and on loans and receivables at amortised cost of €86 million, partially offset by higher negative interest expenses of €70 million.

The table below sets forth the components of total interest income for the years 2021 and 2020.

	Year ended 31 December	
	2021	**2020**
	(€ millions)	
Interest income on cash, cash equivalents and deposits at the Central Bank and loans and receivables at amortized cost……	1,321	1,407
Interest income on interest-bearing securities……..	16	6
Commission……..	3	2
Negative interest expenses[(1)] ……..……..	123	53
Interest income……..	**1,463**	**1,467**

(1) This item consists of negative interest on the financial liabilities banks, funds entrusted and debt securities. Total interest income decreased by €4 million to €1,463 million in 2021 compared to €1,467 million in 2020. The table below sets forth the components of total interest and similar expense for the years 2021 and 2020.

	Year ended 31 December	
	2021	**2020**
	(€ millions)	
Interest expense on banks, funds entrusted, hybrid capital and debt securities at amortized cost……..	272	361
Derivatives (net interest income/expense)[(1)]……	667	667
Negative interest income[(2)] ……..	237	196
Interest expense……	**1,176**	**1,224**

(1) This item consists of net interest income/expense on derivatives as a result of the difference between the fixed pay component on interest rate swaps and the floating rate NWB Bank receives on the swap, recognized as an interest expense when the result is negative and as interest income when the result is positive.

(2) This item consists of negative interest on the financial assets, cash, cash equivalents and deposits at the Central Bank, banks, and loans and receivables.

Total interest and similar expense decreased by €48 million to €1,176 million in 2021 from €1,224 million in 2020. This decrease was primarily due to lower interest rates.

Results from financial transactions

The table below sets out the components of value movements recorded on the income statement for the years 2021 and 2020.

	Year ended 31 December	
	2021	**2020**
	(€ millions)	
Changes in the fair value of derivatives included in macro hedge accounting…….	6,442	(4,904)
Revaluation of financial assets and liabilities included in hedge accounting……...	(6,442)	4,899
Macro hedge accounting ineffectiveness……..	(0.6)	(4.9)
Micro hedge accounting ineffectiveness……...	8.1	0.05
Total hedge accounting ineffectiveness……	**1.7**	**(4.9)**
Other changes in the fair value of restructured derivatives included in hedge accounting…….	(38)	(50)
Changes in the fair value of derivatives not included in hedge accounting…….	2	4
Change in counterparty credit risk (CVA/DVA)……..	(0.1)	(2.4)
Results from maturity extensions and early redemptions…….	14	6
Other fair value changes……...	1.5	(0.5)
Total……..	**(20)**	**(56)**

Results from financial transactions increased by €35 million from a loss of €56 million in 2020 to a loss of €20 million in 2021, which is mainly due to changes in the fair value of derivatives included in macro hedge accounting and results from maturity extensions and early redemptions. An earlier restructuring of the swap portfolio undertaken by NWB Bank a number of years ago to bring its interest rate risk position into line with the benchmark return on equity will continue to have a negative impact on the overall results from financial transactions in the next few years.

The changes in the valuation of derivatives included in macro hedge accounting primarily reflected the movements in interest rates.

In 2021 and 2020, the movements in the revaluation of financial assets and liabilities included in hedge accounting (a gain of €0.2 million in 2021 and a loss of €4.9 million in 2020) were primarily due to movements in interest rates. The bulk of interest rate risk to which NWB Bank is exposed in relation to its financial assets or liabilities is customarily hedged through the use of financial instruments. In market value terms, value movements resulting from interest rate fluctuations are offset through the use of derivatives, although there may be significant movements in the individual assets, liabilities and derivatives from year to year as evidenced in the line items above. Where the hedge relationship is effective, hedge accounting enables NWB Bank to neutralize in principle the difference in result recognition between the hedging instrument and the hedged position.

The changes in the fair value caused by the restructuring of the derivatives portfolio on several occasions in the past with a view to managing the interest rate risk position had a favorable effect on net interest income (lower interest expenses).

Operating expenses

Operating expenses increased when compared to €54 million incurred in 2020, principally due to an increase in bank tax in 2021 and a refund from the resolution fund in 2020. In 2021, a generic one-off rate that was 50% higher than in 2020 meant the total amount of bank tax paid in 2021 was €32.3 million (2020: €20.3 million).

As a bank, NWB Bank is subject to changes to taxes, levies or fees applicable to banks. In 2012, the Dutch bank tax was introduced. This tax exclusively affects financial institutions with a banking license and is similar to bank taxes introduced in other EU Member States following the financial crisis. The principal aim of the Dutch bank tax is to

have the entire banking sector contribute towards the costs incurred by the government to support certain banks during the financial crisis and to mitigate the risk inherent in certain banking activities. The taxable amount is based on the amount of the balance sheet total at the end of the preceding financial year after applying certain reductions. The taxable amount is divided in two parts based on the ratio of short-term liabilities at the end of the previous financial year, which amounted to €17,517 million in 2021 (2020: €24,333 million), and long-term liabilities for the previous financial year, which amounted to €87,539 million in 2021 (2020: €70,077 million). The amount of the short-term liabilities is subject to bank tax at a rate of 0.044%, and the amount of the long-term liabilities is subject to bank tax at a rate of 0.022%. The bank tax increased to €32.3 million in 2021 compared to €20.3 million in 2020.

The table below sets out the components of employee benefits expense for the years 2021 and 2020.

	Year ended 31 December	
	2021	**2020**
	(€ millions)	
Wages and salaries ……...	8.0	7.3
Pension costs…….	1.4	1.3
Other social security costs……	0.8	0.7
Other staff costs……	2.9	2.2
Total……..	**13.0**	**11.6**

Employee benefits expenses increased by €1.4 million from €11.6 million in 2020 to €13.0 million in 2021, due to an increase in headcount during the year and index-linked negotiated wages and other annual increments. Other staff costs increased due to the higher cost of temporary staff. Other administrative expenses amounted to €19 million in 2021 and €27 million 2020. In 2020, other administrative expenses were higher mainly due to the impact of the identified fraud incident (€12 million). Excluding these one-off costs, the administrative expenses in 2021 increased mainly due to higher consultancy costs related to projects.

Profit from ordinary operations before tax

Profit from ordinary operations before tax increased from €135 million in 2020 to €193 million in 2021, an increase of €58 million, or 43%. The result of the participation in the TLTRO with an attractive rate and the less negative result on financial transactions contributed to the increase. NWB Bank's ratio of operating expenses (total operating expenses less bank tax and resolution levy) to operating income was 13.2% in 2021 and 22.2% in 2020.

Tax on profit from ordinary operations

Tax on profit from ordinary operations increased from €54 million in 2020 to €72 million in 2021. This increase of €18 million, or 33%, was primarily the result of the introduction of the thin cap rule. The thin cap rule limits the interest deduction for corporate income tax if the leverage ratio is lower than 8%. The effective tax rate was 37.2% in 2021 (2020: 40%), which primarily reflected the company income tax of 25.0%, the non-deductibility of the bank tax and the thin cap rule. In 2020, it reflected the company income tax of 25.0%, the thin cap rule and a restriction on the tax deductibility of Additional Tier 1 capital which was removed with retroactive effect in 2020.

Net Profit

As a result of the foregoing, net profit increased from €81 million in 2020 to €121 million in 2021, an increase of €40 million, or 49%, which was mainly explained by lower expenses and higher results from financial transactions.

Selected Balance Sheet Items at 31 December 2022, 31 December 2021 and 31 December 2020

The table below summarizes selected balance sheet items of NWB Bank at 31 December 2022, 31 December 2021 and 31 December 2020:

	At 31 December		
	2022	2021	2020
		(€ millions)	
Assets			
Cash, cash equivalents and deposits at the Central Bank	8,617	10,628	9,857
Banks	3,606	6,421	9,577
Loans and receivables	51,437	70,250	76,562
Interest-bearing securities	4,312	4,760	5,779
Intangible assets	8	6	6
Tangible assets	6	4	5
Income tax	-	-	-
Other assets	42	15	15
Derivative assets	5,245	3,926	5,064
Prepayments	12	9	17
Total assets	**73,285**	**96,019**	**106,882**
Liabilities			
Banks	1,651	12,513	11,493
Funds entrusted	6,838	6,300	7,325
Debt securities[(1)]	57,991	65,098	70,544
Other liabilities	48	53	91
Derivative liabilities	4,410	9,776	15,245
Income tax	7	31	11
Accruals	6	5	3
Provisions	13	15	17
Total liabilities	**70,964**	**93,791**	**104,729**

(1) Includes approximately €61 billion, €59 billion and €60 billion of outstanding bonds issued under NWB Bank's various long-term debt issuance programs at 31 December 2022, 2021 and 2020, respectively.

General

NWB Bank's new long-term lending volumes decreased in 2022 compared to the record lending volumes in 2021.

New long-term lending to customers was €9.6 billion for 2022, compared to €12.1 billion and €8.7 billion for 2021 and 2020, respectively. In 2022, NWB Bank's long-term lending to housing associations, its largest client base at 66% of its total lending portfolio, was €6.3 billion (2021: €7.7 billion). Although housing corporations have adopted a more cautious approach to new investments as a result of the implementation of the Housing Act, lending volume in this sector still remains high. According to the Netherlands Authority for Housing Associations, the financial scope for housing associations is increasing and forecasts indicate that their financial scope will continue to increase in the years ahead. This is expected to have a positive effect on housing associations' investment capacity but it is unclear at this stage how heavily this uptick in potential activity will be negatively impacted by rising energy prices, high inflation rates, scarcity of locations and restrictions in construction activities due to government plans to reduce nitrogen emissions in the Netherlands. With new long-term lending of €0.9 billion in 2022 (2021: €1.3 billion) to water authorities, the lending portfolio in this sector increased to almost €8 billion in 2022 (2021: €7.2 billion) and is now NWB's second largest client base (10% of NWB Bank's total lending portfolio). NWB Bank expects that lending in this sector may increase over the coming years in light of the national flood protection program (*Hoogwaterbeschermingsprogramma*) that will be in place through 2028, which is expected to increase financing requirements. Nevertheless, NWB Bank expects that the volume of financing to water authorities in 2023 will be on the same level. Lending to municipal authorities, which now make up 6% of NWB Bank's total lending portfolio, decreased in 2022 with new long-term lending to €9.6 billion in 2022 (2021: €1.2 billion). The healthcare sector (4% of NWB Bank's total lending portfolio) decreased to €0.3 billion (2021: €0.5 billion) despite the major challenges faced by the healthcare sector as a result of COVID-19.

There was still a demand for loans with longer maturities in 2022, despite higher interest rate levels. More than a quarter of NWB Bank's loans and advances are subject to average maturities over 10 years. To fund its operations, the public sector requires financing with long periods. Although such long fixed-rate periods carry higher credit

spreads than shorter periods, as is the case in the international capital markets, customers deliberately choose to have longer terms, including of up to 50 years, to mitigate their interest rate risks.

Assets

In 2022, NWB Bank's total assets decreased by €22,734 million to €73,285 million at 31 December 2022, compared to total assets of €96,019 million at 31 December 2021, which represented a decrease of €10,863 million compared to €106,882 million at 31 December 2020. The decrease in total assets was principally due to a decrease in loans and receivables. Loans and receivables decreased by €18,813 million to €51,437 million at 31 December 2022 compared to €70,250 million at 31 December 2021. The decrease in loans and receivables was mainly due to lower value adjustment for fair value hedge accounting.

In 2021, NWB Bank's total assets decreased by €10,863 million to €96,019 million at 31 December 2021, compared to total assets of €106,882 million at 31 December 2020, which represented an increase of €10,667 million compared to €96,205 million at 31 December 2019. The increase in total assets at 31 December 2019 was principally due to a decrease in loans and receivables. Loans and receivables decreased by €6,312 million to €70,250 million at 31 December 2021 compared to €76,562 million at 31 December 2020. The decrease in loans and receivables was mainly due to lower value adjustment for fair value hedge accounting due to the increase in the outstanding amount of loans and receivables.

Banks

This item consists of liabilities, other than embedded debt securities, due to domestic and foreign banks. The collateral included in this item concerns collateral held under collateral arrangements related to derivative contracts.

31 December 2022 compared to 31 December 2021

Banks decreased by €2,815 million to €3,606 million at 31 December 2022 from €6,421 million at 31 December 2021. This decrease was mainly attributable to a decrease in receivables under collateral arrangements.

31 December 2021 compared to 31 December 2020

Banks decreased by €3,156 million to €6,421 million at 31 December 2021 from €9,577 million at 31 December 2020. This decrease was mainly attributable to a decrease in receivables under collateral arrangements.

Loans and receivables

This item consists of loans and receivables, other than interest-bearing securities, from clients other than banks. The receivables, almost all of which relate to the public sector, are mostly long-term. Public-sector loans and receivables are understood to include those to or guaranteed by Dutch public authorities, and to government-controlled public limited liability companies and other businesses or institutions with delegated government duties. Public-sector loans and receivables include those to or guaranteed by the Dutch government and public authorities abroad, and to government-controlled public limited liability companies and other businesses or institutions whose tasks derive from public authorities. A provision for uncollectability went into effect in 2020 based on the Expected Credit Loss method of IFRS 9. In 2022 and 2021, NWB Bank did not make a substantial provision for doubtful debts given the low risk profile.

	At 31 December		
	2022	2021	2020
		(€ millions)	
Breakdown of loans and receivables according to the nature of the receivable:			
Receivables from or guaranteed by the Dutch government[(1)]	51,204	50,526	49,654
Non-guaranteed receivables to the public sector and others	3,049	2,685	1,870
Receivables under collateral arrangements	-	1,188	2,536
Value adjustment for fair value hedge accounting[(2)]	(2,816)	15,852	22,502
Expected Credit Loss	(0.6)	(1.0)	(0.7)
Total	**51,437**	**70,250**	**76,562**

(1) Includes support provided indirectly by the Dutch State through public authorities and treated as guarantees by DNB. For a description of those public authorities, see 'Nederlandse Waterschapsbank N.V. – Clients'.

(2) A value adjustment is made to the gain or loss that is attributed to the hedged interest rate risk under hedge accounting.

(3) Embedded derivatives are measured separately if they meet the following criteria: i) there is no close relationship between the economic characteristics and risks of the embedded derivative and those of the host contract, ii) the host contract is not carried at fair value through profit or loss and iii) a separate instrument having the same characteristics would be classified as a derivative.

31 December 2022 compared to 31 December 2021

Total loans and receivables decreased by €18,813 million to €51,437 million at 31 December 2022 from €70,250 million at 31 December 2021. The 27% decrease in total loans and receivables in 2022 compared to 31 December 2021 was primarily a result of the decrease in value adjustments for fair value hedge accounting by €12,018 million to €18,668 million deduction at 31 December 2021 from €6,649 million deduction at 31 December 2021. The decrease in value adjustments was attributable to interest rate movements.

31 December 2021 compared to 31 December 2020

Total loans and receivables decreased by €6,312 million to €70,250 million at 31 December 2021 from €76,562 million at 31 December 2020. The 8.2% decrease in total loans and receivables in 2021 compared to 31 December 2020 was primarily a result of the decrease in value adjustments for fair value hedge accounting by €6,65 million to € 15,852 million at 31 December 2021 from €22,502 million at 31 December 2020. The decrease in value adjustments was attributable to interest rate movements.

Interest-bearing securities

This item includes loans embodied in interest-bearing securities as well as other interest-bearing securities that form part of the investment portfolio. Interest-bearing securities are intended primarily to be held for an indefinite period and may be sold to meet liquidity requirements or in response to changes in interest rates. They are initially measured at fair value. For subsequent measurement, interest-bearing securities are divided into three categories. Interest-bearing securities held to maturity are measured at amortized cost and include granted loans and receivables and purchased bonds with fixed or determinable payments that NWB Bank has a positive intention and the contractual and economic ability to hold to maturity. Other interest-bearing securities without public listing are measured at amortized cost. Other interest-bearing securities with public listing are measured at fair value. As long as the value change of an individual interest-bearing security is an unrealized positive change, it is recorded directly in equity until the time of realization. Once derecognized, the cumulative unrealized gain or loss on an individual asset recorded directly in equity is taken to profit or loss. Any cumulative unrealized decrease in value below cost is immediately taken to profit or loss. Any subsequent unrealized increase in value of the relevant interest-bearing security is taken to profit or loss to the extent that it is below amortized cost. Any subsequent increase in value above amortized cost is recorded in equity.

If interest-bearing securities are included in a fair value hedge relationship, the effective part of the hedge is recorded in profit and loss, rather than equity. Upon derecognition of financial assets, the cumulative gain or loss recorded in equity is transferred to profit or loss.

	At 31 December		
	2022	2021	2020
		(€ millions)	
The breakdown of interest-bearing securities is as follows:			
Interest-bearing securities held to maturity	20	665	1,670
Other listed interest-bearing securities	686	876	1,023
Other unlisted interest-bearing securities	3,607	3,218	3,085
Total	**4,312**	**4,760**	**5,779**

31 December 2022 compared to 31 December 2021

Interest-bearing securities decreased by €448 million to €4,312 million at 31 December 2022 from €4,760 million at 31 December 2021. The decrease in interest-bearing securities in 2022 was primarily due to a decrease in interest-bearing securities held to maturity and other listed interest-bearing securities. The bank's investment in Green pass-through NHG RMBS (Residential Mortgage-Backed Securities), in line with the third pillar of its strategy as a 'financing partner for enhancing sustainability in the Netherlands', are included in the item 'Other unlisted interest-bearing securities'.

31 December 2021 compared to 31 December 2020

Interest-bearing securities decreased by €1,019 million to € 4,760 million at 31 December 2021 from €5,779 million at 31 December 2020. The decrease in interest-bearing securities in 2021 was primarily due to a decrease in interest-bearing securities held to maturity and other listed interest-bearing securities. The bank's investment in Green pass-through NHG RMBS (Residential Mortgage-Backed Securities), in line with the third pillar of its strategy as a 'financing partner for enhancing sustainability in the Netherlands', are included in the item 'Other unlisted interest-bearing securities'.

Derivative assets

This item consists of interest rate swaps and currency swaps, caps, floors and swaptions. These products are carried at fair value, including accrued interest. Generally accepted valuation models are applied, based on the most appropriate valuation curves, which include the Overnight Index Swap and €STER curve.

31 December 2022 compared to 31 December 2021

Derivative assets increased by €1,949 million to €5,245 million at 31 December 2022 from €3,926 million in 2021 primarily as a result of an increase in fair value of currency and interest rate swaps. Fair values of interest rate swaps including accrued interest increased by €2,463 million for the year ended 31 December 2022 due to higher interest rates at the end of 2022 compared to end 2021.

31 December 2021 compared to 31 December 2020

Derivative assets decreased by €1,138 million to €3,926 million at 31 December 2021 from €5,064 million in 2020 primarily as a result of a decrease in fair value of currency swaps. Fair values of interest rate swaps and currency swaps including accrued interest decreased by €761 million for the year ended 31 December 2021 due to higher interest rates at the end of 2021 compared to end 2020.

Prepayments and accrued income

This item mainly comprises prepaid amounts for costs related to the next accounting period or periods and the uninvoiced amounts to be received regarding income recognized in the current or previous accounting period or periods.

31 December 2022 compared to 31 December 2021

Prepayments and accrued income increased slightly to €12 million at 31 December 2022 when compared to €9 million at 31 December 2021. The increase was mainly due to an increase of amounts in transit and unbilled amounts to be received on the balance sheet date.

31 December 2021 compared to 31 December 2020

Prepayments and accrued income remained stable at 31 December 2021 when compared to 31 December 2020. The increase was mainly due to an increase of amounts in transit on the balance sheet date.

Liabilities

In 2022, total liabilities decreased by €7,140 million to €86,651 million at 31 December 2022 compared to total liabilities of 107,198 million at 31 December 2021. In 2021, total liabilities decreased by €10,938 million to €93,791 million at 31 December 2021 compared to total liabilities of €104,729 million at 31 December 2020. The decrease in 2022 compared to 2021 was mainly due to a decrease in derivative liabilities. The decrease in 2021 compared to 2020 was mainly due to a decrease in debt securities and derivative liabilities.

Banks

This item consists of liabilities, other than debt securities, due to domestic and foreign banks. These liabilities result largely from long-term loans. The collateral included in this item relates to collateral held under collateral arrangements related to derivative contracts.

31 December 2022 compared to 31 December 2021

Debt to banks increased by €10,862 million to €1,651 million at 31 December 2022 from €12,513 million at 31 December 2021. The decrease was mainly due to the redemption of NWB Bank's participation for the amount of €11 billion in targeted longer-term refinancing operations (TLTRO III.4, TLTRO III.5 and TLTRO III.7) implemented by the ECB.

31 December 2021 compared to 31 December 2020

Debt to banks increased by €1,020 million to €12,513 million at 31 December 2021 from €11,493 million at 31 December 2020. The increase was mainly due to an increase in NWB Bank's participation for the amount of €11.0 billion in targeted longer-term refinancing operations (TLTRO III.4, TLTRO III.5 and TLTRO III.7) implemented by the ECB.

Funds entrusted

This item consists of liabilities, other than debt securities, due to parties other than banks, including NSVs and SSDs.

31 December 2022 compared to 31 December 2021

Funds entrusted increased by €538 million to €6,838 million at 31 December 2022 from €6,300 million at 31 December 2021. This increase was primarily due to an increase in short term funds entrusted and a decrease in value adjustments for fair value hedge accounting (decrease of €1,630 million).

31 December 2021 compared to 31 December 2020

Funds entrusted decreased by €1,025 million to €6,300 million at 31 December 2021 from €7,325 million at 31 December 2020. This increase was primarily due to a decrease in value adjustments for fair value hedge accounting (decrease of €583 million).

Debt securities

This item consists of negotiable interest-bearing debt instruments.

	At 31 December		
	2022	**2021**	**2020**
		(€ millions)	
The breakdown of debt securities is as follows:			
Bond loans	61,303	59,480	59,776
Short-term debt securities	4,915	3,641	5,875
Value adjustments for fair value hedge accounting	(8,227)	1,977	4,893
Total	**57,991**	**65,098**	**70,544**

31 December 2022 compared to 31 December 2021

Debt securities decreased by €7,107 million to €57,991 million at 31 December 2022 compared with €65,098 million at 31 December 2021. The decrease was primarily due to a decrease in in value adjustments for fair value hedge accounting (€10,204 million).

31 December 2021 compared to 31 December 2020

Debt securities decreased by €5,446 million to €65,098 million at 31 December 2021 compared with €70,544 million at 31 December 2020. The decrease was primarily due to a decrease in short term debt securities (€2,233 million) and value adjustment for fair value hedge accounting (€2,916 million).

Derivative liabilities

This item consists of interest rate swaps and currency swaps, caps, floors and swaptions. These products are carried at fair value, including accrued interest.

31 December 2022 compared to 31 December 2021

Derivative liabilities decreased by €5,366 million to €4,410 million at 31 December 2022 from €9,776 million at 31 December 2021. The decrease in derivative liabilities was due to changes in interest and currency rates.

31 December 2021 compared to 31 December 2020

Derivative liabilities decreased by €5,469 million to €9,776 million at 31 December 2021 from €15,245 million at 31 December 2020. The decrease in derivative liabilities was due to changes in interest and currency rates.

Accruals and deferred income

This item comprises advance receipts for income attributable to the next accounting period or periods and un-invoiced amounts payable in relation to expenses attributable to the past accounting period or periods.

31 December 2022 compared to 31 December 2021

Accruals and deferred income increased by €1 million to € 6 million at 31 December 2022 from €5 million at 31 December 2021.

31 December 2021 compared to 31 December 2020

Accruals and deferred income increased by €2 million to € 5 million at 31 December 2021 from €3 million at 31 December 2020.

Information on Financial Assets

Analysis of financial assets according to remaining contractual term

The following table sets forth financial assets according to remaining contractual term, including all future undiscounted interest cash flows and before proposed profit appropriation.

(in millions of €)	Total	3 months or shorter	3 months – 1 year	1 year – 5 years	More than 5 years
Assets					
Cash, cash equivalents and deposits at the Central Bank	10,628	10,628	-	-	-
Banks	3,625	62	19	85	3,459
Loans and receivables	76,879	1,442	4,885	17,277	53,275
Interest-bearing securities	4,952	(80)	563	1,896	2,573
Intangible assets	8	-	-	8	-
Tangible assets	6	-	-	2	4
Income tax	-	-	-	-	-
Derivative assets	13,114	410	672	2,798	9,234
Other assets	54	45	1	-	8
Prepayments and accrued income	-	-	-	-	-
Total at 31 December 2022	**109,266**	**12,507**	**6,140**	**22,066**	**68,553**
Total at 31 December 2021	**112,013**	**12,420**	**6,140**	**22,064**	**71,389**
Total at 31 December 2020	**116,443**	**12,914**	**8,510**	**21,063**	**73,956**

Interest rate risk analysis

An example of a gap analysis according to interest rate period at 31 December 2022 is shown below. The fair value of all instruments is presented. The derivatives include notional amounts to give a clearer picture of interest rate positions.

(in millions of €)	Total	3 months or less	3 months – 1 year	1 year – 5 years	More than 5 years
Assets					
Loans and receivables	74,239	24,240	3,547	10,598	35,854
Interest-bearing securities	4,368	378	284	1,766	1,940
Fixed-interest derivative assets	(29,327)	4,117	(2,384)	(4,113)	(26,947)
Variable-interest derivative assets	41,284	24,863	16,157	40	224
Total assets	**90,564**	**53,598**	**17,604**	**8,291**	**11,071**
Liabilities					
Banks, funds entrusted and debt securities	68,381	11,990	6,576	24,562	25,253
Subordinated debt	324	1	8	296	19
Fixed-interest derivative liabilities	(45,600)	(3,636)	(6,884)	(18,253)	(16,827)
Variable-interest derivative liabilities	63,546	49,632	13,595	108	211
Total liabilities	86,651	57,987	13,295	6,713	8,656
Total assets less liabilities 2022	**3,913**	**(4,389)**	**4,309**	**1,578**	**2,415**
Total assets less liabilities 2021	**4,403**	**(2,995)**	**2,690**	**1,671**	**3,037**
Total assets less liabilities 2020	**4,623**	**(2,442)**	**2,205**	**1,663**	**3,197**

Weighted credit risk analysis

The table below provides information on the weighted credit risk (including irrevocable commitments for unpaid loans) to which NWB Bank is subject in accordance with standards prescribed by CRD IV at 31 December 2022, 2021 and 2020:

(in millions of €)	Unweighted 2022[5]	Weighted 2022[6]	Unweighted 2021[5]	Weighted 2021[6]	Unweighted 2020[5]	Weighted 2020[6]
Central governments[1]	8,683	-	10,693	-	10,238	-
Regional governments[2]	15,878	-	19,659	-	20,260	-
Institutions with delegated government duties	41,989	1,903	57,266	2,089	60,887	1,925
Development banks[2]	12	-	369	-	759	-
International organizations[2]	20	-	13	-	63	-
Banking counterparties[3]	2,026	574	1,807	573	13,496	469
RMBS (NGH) notes[4]	1,992	299	1,625	196	1,291	210
Covered bonds	569	57	600	60	847	85
Other	231	231	233	232	2,600	63
Total	**71,400**	**3,064**	**92,265**	**3,150**	**110,441**	**2,752**

(1) Between 0% and 50% risk weighted.

(2) 0% risk weighted.

(3) Counterparty risks and money market lending are included under the 20% and 50% risk weighted categories.

(4) Includes a portfolio of Residential Mortgage Backed Securities, most of which carry a 20% or 50% risk weighting (the senior A notes) and a small portion carries a 100% risk weighting (the lower S notes).

(5) Total nominal amount including amounts subject to risk weighting.

(6) Amounts subject to risk weighting.

The table below provides a breakdown of loans granted by NWB Bank by type of borrower:

	At 31 December		
Loans portfolio (in millions of €)	**2022**	**2021**	**2020**
Water authorities	7,699	7,577	6,772
Municipal authorities	5,020	5,272	5,101
Other public authorities	324	356	202
Social housing	31,015	30,586	30,391
Healthcare institutions	1,871	1,811	1,878
Other borrowers under governments guarantee	726	691	786
Joint schemes	1,010	1,049	837
Drinking water companies[1]	1,134	936	836
Renewable energy[1]	909	738	390
Public-private partnerships	683	705	409
Credit institutions	151	168	178
Other[2]	199	132	100
	50,741	**50,021**	**47,880**

(1) Includes loans to Dutch utility companies, which carry a 100% risk-weighting.

(2) Includes loans which carry a 0%, 20%, 35%, 50% or 100% risk-weighting.

Liquidity and Capital Resources

Cash flow analysis for NWB Bank for the years ended 31 December 2022, 2021 and 2020

The following table sets out selected cash flow information for the years ended 31 December 2022, 2021 and 2020.

	At 31 December		
	2022	2021	2020
		(€ millions)	
Net cash flow used in operating/banking activities	6,119	3,854	(4,891)
Net cash flow used in investing activities	(135)	876	(1,016)
Net cash flow from financing activities	(7,943)	(3,859)	7,474
Net cash flow	**(2,009)**	**771**	**1,567**

Cash flow used in operating/banking activities

Net cash flow used in operating/banking activities was a cash inflow of €6,119 million in 2022 compared to a cash inflow of €3,854 million in 2021. The cash inflow of €6,119 million in 2022 compared with 2021 was primarily the result of changes in other assets and liabilities.

Net cash flow used in operating/banking activities was a cash inflow of €3,854 million in 2021 compared to a cash outflow of €4,891 million in 2020. The cash inflow of €3,854million in 2021 compared with 2020 was primarily the result of changes in bank loans and receivables not available on demand and changes in other assets and liabilities.

Cash flow used in investing activities

Net cash flow used in investing activities in 2022 was an outflow of €135 million compared to a cash inflow of €876 million in 2021. The cash outflow of €135 million compared with 2021 principally related to the sale and redemptions of interest-bearing securities and additions to interest-bearing securities.

Net cash flow used in investing activities in 2021 was an inflow of €876 million compared to a cash outflow of €1,016 million in 2020. The cash inflow of €876 million compared with 2020 principally related to the sale and redemptions of interest-bearing securities and additions to interest-bearing securities.

Cash flow from financing activities

Net cash flow from financing activities was a cash outflow of €7,943 million compared to a cash outflow of €3,859 million in 2021. The cash outflow in 2022 compared to 2021 reflected an increase in expenses related to redemption of long-term loans to banks.

Net cash flow from financing activities was a cash outflow of €3,959 million and a cash inflow of €7,474 million in 2021 and 2020, respectively. The cash inflow in 2021 compared to 2020 reflected an increase in the short-term debt securities issued.

External sources of funding, financing and indebtedness

As in prior years, in 2022 NWB Bank maintained a good funding record with a diversified investor base and well spread tenors. The ECB's quantitative easing ('**QE**') program was generally favorable to financial markets in the first half of 2022. NWB Bank is on the buy list for this program. In addition NWB Bank debt securities are recognized as Level 1 high quality liquid assets ('**HQLA**') so other banks may use NWB Bank's bonds to achieve their liquidity requirements. As a result the amount of Euro and U.S. dollar funding of the Issuer in proportion to total funding of NWB Bank has been larger over the last few years.

Ongoing macroeconomic uncertainty and market volatility occurred in 2022 and is expected to continue in 2023. Further, the war in Ukraine, rising interest rates and high inflation have created great uncertainty and is expected to result in a decline in economic activity which could compound market volatility. During periods of volatility in the past, NWB Bank has benefited from its low risk profile and has always been able to access the capital markets. In 2022, capital markets funding resulted in continued low funding spreads.

In 2022, NWB Bank issued 10.9 billion (2021: €8.0 billion; 2020: €13.7 billion) of long-term debt instruments (with a maturity of more than one year) for its lending and refinancing purposes. The weighted average maturity of

the issues made in 2022 was 6.8 years compared to 9.9 years in 2021 and 5.7 years in 2020. The increase in NWB Bank's long-term debt funding in 2022 compared with 2021 was mainly due to NWB Bank front-loading funding in the first half of 2022 due to attractive funding spreads caused by QE.

NWB Bank qualifies as a 'promotional lender' within the framework of the liquidity coverage requirements under the CRR. Furthermore, NWB Bank bonds are on the list of institutions whose securities are eligible for the public sector purchase program, which is part of the ECB's QE program. The resulting higher demand for NWB Bank debt continued to contribute to the favorable funding rates that NWB Bank was able to achieve in 2022. NWB Bank expects that due to the ECB buying fewer NWB Bank bonds following the winding down of QE programs, funding spreads will increase over time.

NWB Bank's long-term funding is almost entirely carried out through the issuance of bonds under this Program with €18 billion (or the equivalent in other currencies) available to be issued. At 31 December 2022, €58 billion was issued and outstanding under this program as per the balance sheet. NWB Bank's funding policy is designed to provide flexibility to respond to investor demand. This approach seeks to strengthen relations with investors and enable NWB Bank to attract funding on competitive terms. NWB Bank issues bonds in several currencies, with the terms and conditions tailored to the needs of both institutional and private investors. In addition to the Debt Issuance Program, NWB Bank has a Kauri bond program for issuing up to AUD 10 billion denominated in Australian and New Zealand dollars. At 31 December 2022, AUD (equivalent) of €3.8 billion had been issued under this program.

NWB Bank has a €25 billion (or the equivalent in other currencies) euro-commercial paper and certificate of deposit program. In 2022, NWB Bank issued €76 billion under its euro-commercial paper and certificate of deposit program (2021: €48.3 billion; 2020: €30.9 billion) and US$195 billion (approximately €181.2 billion) under its US commercial paper program (2021: US$167.7 billion (approximately €141.2 billion)). At 31 December 2022, NWB Bank had €2.9 billion outstanding under its Euro commercial paper program (2021: €3.6 billion), and €2.2 billion outstanding under its US commercial paper program (2021: €0.0 billion).

Each year, NWB Bank issues a number of benchmark bonds so that NWB Bank yield curves in Euros and U.S. Dollars are and continue to be available to institutional investors. In 2022, NWB Bank completed 2 benchmark issues totaling €2.3 billion with amounts ranging from €0.5 billion to €1.8 billion (or equivalent). In 2021, NWB Bank completed three benchmark issues totaling €2.6 billion with amounts ranging from €0.6 billion to €1.0 billion (or equivalent). The share of benchmark bonds in 2022 is 21%. The benchmarks as a form of public funding are important in relation to recognition of NWB Bank's name in the market, but constitute a more expensive form of funding.

NWB Bank also maintains a collateral position at the Central Bank, to further mitigate any potential liquidity risk in times of market stagnation. Virtually the entire loans and receivables portfolio of NWB Bank is accepted as collateral at the Central Bank. The collateral value of the portion of the loans and receivables portfolio contributed as collateral to the Central Bank was €15.7 billion at 31 December 2022, €16.5 billion at 31 December 2021 and €15.4 billion at 31 December 2020.

The following table presents NWB Bank's long-term bonds by currency of issuance at 31 December for each of the last three years.

	At 31 December		
	2022[(1)]	**2021[(1)]**	**2020[(1)]**
		(€ millions)	
Euros	41,188	38,619	37,780
U.S. Dollars	9,375	12,195	16,365
Pounds Sterling	3,343	2,108	1,207
Australian Dollars	5,800	5,566	5,384
Swedish Krona	8,150	8,450	8,450
Swiss Francs	1,575	1,725	1,760
Japanese Yen	67,660	80,343	86,729
Other	1,819	1,569	1,269
Total (in Euros)	61,006	59,146	59,397

(1) Derived from NWB Bank's internal management information.

Analysis of financial liabilities according to remaining contractual terms to maturity

The following table sets forth financial liabilities according to remaining contractual term, including all future undiscounted interest cash flows and before proposed profit appropriation.

(in millions of €)	Total	3 months or shorter	3 months – 1 years	1 year – 5 years	More than 5 years
Liabilities					
Banks	4,634	44	48	488	4,054
Funds entrusted	18,441	98	17	11,207	7,119
Debt securities	68,657	3,287	10,318	22,744	32,308
Subordinated debt	363	1	8	329	25
Derivative liabilities	25,509	307	1,053	4,143	20,006
Pension provisions	3	-	-	-	3
Deferred income tax	11	-	-	11	-
Income tax	7	7	-	-	-
Other liabilities	48	39	9	-	-
Accruals	6	3	3	-	-
Equity	1,995	-	-	-	1,995
Total at 31 December 2022	119,674	3,786	11,456	38,922	65,510
Total at 31 December 2021	119,457	3,817	11,454	38,905	65,281
Total at 31 December 2020	126,054	8,622	9,431	40,583	67,418

Irrevocable commitments

The following table sets forth NWB Bank's irrevocable commitments at 31 December for each of the last three years:

	At 31 December		
	2022	2021	2020
		(€ millions)	
Loans granted but not yet paid	1,419	1,290	1,634
Collateral commitments	-	318	-
Unused current account overdraft facilities	712	722	675
Unused financing facilities	2,678	3,024	1,992
Guarantees issued	3	3	4
Total (in Euros)	**4,812**	**5,358**	**4,306**

Capital Management

As described in more detail under the '*Supervision and Regulation - Capital Requirements Directive'* above, CRD IV, in implementing Basel III throughout the EU, is intended to increase the quality and quantity of capital, requires increased capital against derivative positions and introduces a capital conservation buffer, a counter-cyclical buffer, a systemic risk buffer, a new liquidity framework (a LCR and NSFR), as well as a leverage ratio. The LCR addresses the sufficiency of high quality liquid assets to meet short-term liquidity needs under a specified acute stress scenario which may not fall below 100% of the estimated net cash outflows for the following 30 days. The NSFR requires that banks maintain a stable funding profile in relation to their on- and off-balance sheet activities, i.e. that long-term assets are covered with sufficient stable funding. The leverage ratio is defined as Tier-1 capital divided by a measure of non-risk weighted assets (including specific off-balance sheet items).

NWB Bank is subject to direct supervision by the ECB under the SSM. The ECB is the competent authority responsible for supervising compliance by NWB Bank with the prudential requirements including (among other

things) (i) own funds requirements, the LCR, the NSFR, the leverage ratio and the reporting and public disclosure of information on these matters, as set out in the CRR and (ii) the requirements to have in place effective internal capital adequacy assessment. The ECB applies the rules and requirements of the CRR and the Dutch implementation of CRD IV in the DFSA to NWB Bank.

There are three pillars of the CRD IV to which NWB Bank adheres:

Pillar 1: the minimum capital requirements for each category of risk: credit risk, market risk, operational risk and concentration risk;

Pillar 2: internal processes for risk management and setting internal capital requirements: Supervisory Review and Evaluation Process ('**SREP**') and Internal Capital Adequacy Assessment Process ('**ICAAP**'), outlier criterion and stress tests; and

Pillar 3: publication of financial headline figure requirements: market discipline and transparency.

Pillar 1

NWB Bank applies the standardised method for general credit risk. This method uses external ratings linked to certain risk weightings. NWB Bank uses the credit ratings of Moody's, Standard & Poor's and/or Fitch. In addition, there is the capital requirement for counterparty credit risk, for which the standardised method is used by NWB Bank (the SA CCR). The CRR also contains a capital requirement, the Credit Valuation Adjustment (CVA), which involves a capital charge for the risk arising from a change in the creditworthiness of counterparties with which NWB Bank has derivatives positions. The CVA complements the capital charge for the counterparty credit risk. The CVA is calculated using a standard formula based on exposure, rating and average terms of derivatives positions entered into with counterparties, among other things.

The market risk concerns risks in the trading portfolio and currency and commodity risks. NWB Bank does not keep a trading portfolio.

When calculating qualifying capital for operational risk, NWB Bank uses the standardized approach. Under this approach, 15% of the relevant indicator is taken as a benchmark for the operational risk. The relevant indicator is the three-year average of the total of the annual net interest income and the annual net non-interest income at the end of the financial year.

The Large Positions rules limit the concentration risk of a bank. NWB Bank's large positions are mainly connected to the derivatives portfolio. These positions are limited as much as possible by concluding collateral agreements and applying netting.

The table below presents a calculation of the Pillar 1 Tier 1 ratio at 31 December 2022, 2021 and 2020:

	At 31 December		
	2022	**2021**	**2020**
	(€ millions, except percentages)		
Equity excluding profit for the current financial year	1,852	1,781	1,746
Intangible assets	(8)	(6)	(6)
Prudential filters	(9)	(12)	(10)
CET 1 capital	1,835	1,763	1,730
Additional Tier 1 capital	321	320	320
Tier 1 capital (A)	2,156	2,083	2,050
Weighted credit risk (SA)	3,064	3,150	2,758
Capital requirement pursuant to CVA (SA)	1,335	1,150	714
Weighted operational risk (SA, BIA)	393	342	361
Risk-weighted assets (B)	4,792	4,642	3,833

	At 31 December		
	2022	2021	2020
	(€ millions, except percentages)		
Tier 1 ratio (A/B)	**45%**	**45%**	**50%**

In 2022, qualifying capital, which almost exclusively comprises Tier 1 capital, increased by €73 million from €2,083 million at 31 December 2021 to €2,156 million at 31 December 2022. The Tier 1 ratio remained constant at 45% at 31 December 2022 compared to 31 December 2021. The weighted credit risk mainly concerns the financing of renewable energy projects, drinking water companies, academic hospitals and PPP projects.

In 2022, risk-weighted assets increased by €150 million from € 4,642 million at 31 December 2021 to €4,792 million at 31 December 2022, principally due to an adaptation of the SA CRR, as a result of which more capital needs to be reserved for counterparty credit risk, including CVA, for derivatives. In addition, the Tier 1 ratio and Common Equity Tier 1 ratio continued to be well above the minimum requirements of 10.25% and 12.75%, respectively.

Pillar 2

The SREP is an evaluation by the ECB, acting in its capacity of supervisory authority, in which it attempts to establish that a bank has its solvency management and capital adequacy, and therefore also its ICAAP, in order. Pursuant to the SREP, a bank-specific capital requirement ('P2R') may be applied in addition to, and covering risks which are underestimated or not covered by, the Pillar 1 requirements. In addition, banks are expected to follow guidance issued by the ECB ('P2G'). Said guidance indicates the level of capital that a bank should maintain in order to be able to withstand financial stress. Failing to meet the Pillar 2 guidance is not regarded as a breach of required capital levels, but may affect the bank-specific capital requirement set by the ECB following SREP.

The outlier criterion sets a maximum interest rate risk that a bank may run on its equity and net interest income. In the context of SREP, the ECB looks at the exposure of banks to the interest rate risk arising from non-trading, banking book activities (IRRBB). Banks may face supervisory measures in case, in the context of a shock scenario, the economic value of equity declines by more than 15% of tier 1 capital or if a bank's net interest income experiences a 'large decline' (to be defined in a regulatory technical standard'). The ECB may, for instance, set additional own funds requirements or limit activities with excessive risks.

Stress tests can be applied under Pillar 1 and Pillar 2. Using sensitivity analyses or scenarios, banks can gain a better understanding of their risk profiles. A best practice for stress tests does not exist yet, which means that each bank needs to develop its own practice. Stress testing forms an integral part of NWB Bank's ICAAP and Internal Liquidity Adequacy Assessment Process ('**ILAAP**'), enabling NWB Bank to assess the impact to its capital and liquidity adequacy against a range of institution-specific and market-wide individually stress tests. These stress tests are performed twice a year together with the quantitative assessment of the ICAAP Pillar 2 capital. In addition, specific stress scenarios are run at the request of the supervisory board or regulatory authorities, in particular the ECB and the EBA.

Pillar 3

Market discipline and transparency in the publication of solvency risks are important elements of the Basel rules for Pillar 3. Central to these publications is information on the solvency and the risk profile of a bank. Pillar 3 disclosure requirements are based on Pillar 1 requirements.

The ultimate aim of Basel III/CRD IV is to reduce leverage in order to bring institutions' weighted assets more in line with their Tier-1 capital. On an EU level, the leverage ratio requirements are phased in with initially a reporting period, a disclosure obligation as of 1 January 2015 and the migration to a binding harmonized requirement as part of the EU Banking Reforms which took effect on 28 June 2021. It does however provide for certain (further) adjustments to the measure of exposures that would have to be included in the leverage ratio calculation, in light of the constraints that such leverage ratio may entail for certain business models and lines of business. Such adjustments are applicable to exposures of NWB Bank.

Due to the structure of NWB Bank's balance sheet and its lending mainly to Dutch public sector borrowers with currently zero-risk weighting, it has originally been challenging for NWB Bank to meet the original leverage ratio set under Basel III. Unlike the Tier 1 ratio, the leverage ratio is a risk-unweighted ratio. It means no account of the risk profile (expressed as risk weighting) of the bank's assets is taken into the calculation. In the run-up to 2021 NWB Bank's policy has been geared to gradually approximating a 3% leverage ratio. In order to increase its Tier-1 capital, in addition to retaining profits, NWB Bank has issued other capital instruments, such as hybrid debt instruments, which carry a higher cost of funding than its existing long-term debt. In 2015 and 2016, NWB Bank did raise additional Tier 1 capital.

On 27 June 2019, the renewed European capital regulation CRR II entered into force. Part of this is an adjusted definition of the leverage ratio for promotional banks. In short, as a promotional bank, NWB Bank may exclude lending to the public sector from the calculation of the leverage ratio. On the basis of the EU Banking Reforms and the formation adjustments to the leverage ratio calculations, NWB Bank complies with the 3% leverage ratio requirement and reports a leverage ratio of 18.9% (2021: 14.3%) which is above the minimum requirement of 3%. See '*Risk Factors - NWB Bank is subject to substantial regulation and oversight. Significant regulatory developments and changes in the approach of NWB Bank's regulators are likely to have a material adverse effect on NWB Bank's operations or profitability*'.

Hedging Risks with Derivatives

As described in '*Hedging Policy of NWB Bank*' above, NWB Bank uses derivatives to manage its interest rate and currency risks. To limit the credit risks associated with these derivatives as much as possible NWB Bank's policy is to only enter into transactions with counterparties with a single A rating at a minimum and limits are set to minimize the total exposure from derivatives. The fair values of these derivatives can, depending on the agreements reached with counterparties, be hedged by collateral agreements (also known as CSAs) using mostly zero thresholds and exchanging collateral on a daily basis in cash. NWB Bank's policy is to conclude CSAs with all counterparties and to ensure that netting agreements apply.

During the periods under review, the creditworthiness of some financial counterparties decreased to such an extent that the positions held were reduced. Portfolio management, monitoring and collateral management were stepped up further with respect to individual derivatives portfolios for all counterparties, as well as for the total derivatives portfolio. This involves monitoring sensitivities in counterparty-specific portfolios and the option of novating a portfolio, or part thereof, to a central counterparty under central clearing in due course. From May 2016, NWB Bank transitioned to the central clearing of interest rate derivatives, which has further reduced counterparty risk. In addition, concentrations in the derivatives portfolio are assessed and adjusted in terms of interest-rate sensitivities, credit ratings and other early warning signals for all counterparties. Of the total derivatives portfolio at 31 December 2016, approximately 78% of the contracts (measured by notional amounts) were entered into with financial institutions that have at least single A ratings.

The total fair value exposure from derivatives to financial counterparties at year-end 2022 was €1,009 million, of which €876 million was covered by collateral pledged to NWB Bank (2021: €835 million and €607 million; 2020: €619 million and €460 million). The total fair value exposure from derivatives from financial counterparties at year-end 2022 was €3,063 million, of which €2,880 million was covered by collateral provided by NWB Bank (2021: €6,149 million and €5,958 million; 2020: €9,246 million and €8,825 million).

The tables below show the net fair values of the derivatives, i.e. including collateral received and provided.

	Positive Fair Value of Derivatives	**Netting with Negative Derivatives**	**Cash Collateral for Loans provided**	**Net Position**
		(€ millions)		
Assets				
Cash, cash equivalents and deposits at the Central Bank	2,262	(1,254)	(876)	132
Prepayments and accrued income	2,983	-	(2,006)	977
Total for 2022	5,245	(1,254)	(2,882)	1,109

Total for 2021	3,926	(2,420)	(600)	906

	Negative Fair Value of Derivatives	Netting with Positive Derivatives	Cash Collateral for Loans Taken Out	Net Position
		(€ millions)		
Liabilities				
Banks	(4,408)	1,254	2,945	(209)
Equity.....	(2)	-	-	(2)
Total for 2022	(4,410)	1,254	2,945	(211)
Total for 2021	(9,776)	2,420	7,035	(321)

NWB Bank's policy is to eliminate all currency risks on both loans granted and borrowings. Currency risks arise primarily in respect of funds borrowed by NWB Bank. NWB Bank borrows significant amounts in foreign currency. The resulting currency risks are fully hedged immediately by entering into cross-currency interest rate and FX swaps.

The table below shows the nominal values in millions in local currencies.

	2022			2021			2020		
CCY	**Asset**	**Liability**	**Derivatives**	**Asset**	**Liability**	**Derivatives**	**Asset**	**Liability**	**Derivatives**
AUD	-	(5,800)	5,800	-	(5,566)	5,566	-	(5,384)	5,384
CAD	-	(393)	393	-	(393)	393	-	(393)	393
CHF	-	(1,575)	1,575	-	(1,725)	1,725	-	(1,760)	1,760
GBP	-	(3,917)	3,917	-	(2,208)	2,208	-	1,392	1,392
HKD	-	-	-	-	-	-	-	-	-
JPY	-	(67,660)	67,660	-	(80,343)	80,343	-	(121,729)	121,729
NOK	-	(500)	500	-	(500)	500	-	(500)	500
NZD	-	(696)	696	-	(446)	446	-	(146)	146
SEK	-	(8,150)	8,150	-	(8,450)	8,450	-	(8,450)	8,450
USD	-	(13,494)	13,494	-	(16,190)	16,190	-	(23,526)	23,526
ZAR	-	(230)	230	-	(230)	230	-	(230)	230

The assets are recognized in the statement of financial position under Loans and receivables and Interest-bearing securities. The liabilities are recognized under the item financial liabilities stated at fair value through profit or loss.

Off Balance Sheet Arrangements and Contingent Liabilities

Off balance sheet arrangements

Other than the irrevocable commitments set forth under ' – *Liquidity and Capital Resources – Irrevocable commitments*', and the commitments set forth under *'—Contingent liabilities*' below, NWB Bank has no off balance sheet arrangements as determined for purposes of Dutch GAAP.

Contingent liabilities

This includes commitments, not included in the balance sheet, which could arise on guarantees issued (standby letters of credit). NWB Bank had no contingent liabilities at 31 December 2022 compared to €0 million at 31 December 2021 and €0 million at 31 December 2020.

Critical Accounting Policies and Estimates

The preparation of NWB Bank's Financial Information in accordance with Dutch GAAP requires it to make estimates and assumptions that have an impact on the application of accounting policies and the reported value of assets and liabilities and of income and expenses. The estimates and associated assumptions are based on past experience, market information and various other factors considered to be reasonable given the circumstances. The outcomes form the basis for the opinion on most of the carrying amounts of assets and liabilities which cannot be easily established from other sources. The actual outcomes may differ from these estimates. From 1 January 2020 onwards, NWB Bank began to use IFRS EU's expected loss impairment methodology. This new impairment method replaces the incurred loss model with an expected credit loss approach. The new impairment model applies to all exposures held under financial assets at amortized cost, interest-bearing securities with value changes stated at fair value recorded directly in equity, and irrevocable commitments and contracts concerning financial guarantees. Under IFRS 9, said exposures are classified into three groups based on the various stages of credit risk. A lifetime expected credit loss is recognized for these exposures on an individual basis, taking into account any guarantees and received collateral. This is comparable to the way individual impairments are currently calculated for exposures in default. These impairment rules increase the complexity and degree of professional judgement needed to develop a robust expected credit loss calculation. This pertains to, among other things, determining the probability of default, the loss given default, and the exposure at default in the future. In addition, forward-looking information regarding macro-economic factors must be taken into account. Given the risk profile of NWB Bank's counterparties, until now there has been no provision for uncollectible receivables in the incurred loss model. Because the scope of the new impairment risk system is greater and the calculations by definition lead to a provision, the bank expects a limited impact on the scope of the bank's net assets.

The estimates and underlying assumptions are reviewed regularly. Revisions of estimates are recognized in the period in which the estimate was revised if the revision only has consequences for that period, or in both the reporting period and future periods if the revision also has consequences for future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are described in the principal accounting policies that can be found in the notes to the Financial Information under 'Significant assumptions and estimation uncertainties' which is incorporated by reference in this Base Prospectus.

NWB PROFIT FORECAST

The discussion of forecasts presented below includes forward-looking statements that have been prepared by NWB Bank's management and represent, to the best of NWB Bank's management's knowledge and opinion, NWB Bank's expected developments. They are based on NWB Bank's management's current beliefs, expectations, assumptions and the business plan of NWB Bank and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from what is provided below. No assurance can be given that what is described below will occur, continue or be achieved. No assurance can be given that actual results will track those described in the forward-looking statements set out below. The forecast set out below is based on data, assumptions and estimates considered reasonable by NWB Bank as at the date of this Prospectus. These data and related assumptions may change or be modified due to the uncertainties related in particular to the economic, financial, accounting, competitive, regulatory and tax environment or to other factors that NWB Bank may not be aware of as at the date of this Prospectus.

NWB Bank's net profit is expected to be lower in the financial year 2023 than in the financial year 2022, mainly because NWB Bank will no longer be able to benefit from the positive effects of participation in the TLTRO in 2023.

This forecast has been prepared on a basis which is: (i) comparable with the historical financial information of NWB Bank included in its financial statements; and (ii) consistent with the accounting policies applied by NWB Bank for the preparation of its financial statements.

Thanks to a better net interest income and lower bank tax, the net profit increased to €143 million compared with €121 million in 2021. As in 2020 and 2021, NWB Bank's participation in the TLTRO also contributed in the financial year 2022 to the net profit because of the attractive rates. The benefit of this was largely passed on to NWB Bank's clients through lower lending rates, but the difference in maturity of the TLTRO funding and the corresponding lending resulted in higher profits in recent years, which will be offset in the coming years.

NWB Bank's forecast is provided on the basis of: (i) its results for the financial year 2022 as set out in the press release dated 20 March 2023 with respect to NWB Bank's 2022 results for the year ended on 31 December 2022; and (ii) NWB Bank's participation in the TLTRO having been redeemed as per November 2022 and therefore no longer generating extra interest income as it did in the financial year 2022.

Factors that are outside of NWB Bank's control are any material changes to the macro-economic, legislative and regulatory environment when compared to those in effect during the year ended on 31 December 2022. A factor that is partially or wholly within NWB Bank's control is NWB Bank continuing its operations in its current form. When providing the profit forecast, NWB Bank has not taken into account changes to any other factors that may impact its results.

BALANCE SHEET

The following table sets out the balance sheet information for the years ended 31 December 2022, 2021 and 2020.

	At 31 December		
	2022	**2021**	**2020**
		(€ millions)	
Assets			
Cash, cash equivalents and deposits at the Central Bank……	8,617	10,628	9,857
Banks……..	3,606	6,421	9,577
Loans and receivables	51,437	70,250	76,562
Interest-bearing securities	4,312	4,760	5,779
Intangible assets	8	6	6
Tangible assets	6	4	5
Other assets	42	15	15
Derivative assets	5,245	3,926	5,064
Prepayments	12	9	17
Total assets	**73,285**	**96,019**	**106,882**
Liabilities			
Banks	1,651	12,513	11,493
Funds entrusted	6,838	6,300	7,325
Debt securities[(1)]	57,991	65,098	70,544
Provisions	13	15	17
Income tax	7	31	11
Other liabilities	48	53	91
Derivative liabilities	4,410	9,776	15,245
Accruals	6	5	3
Total liabilities	**70,964**	**93,791**	**104,729**
Subordinated debt	326	326	326
Paid-up and called-up share capital	7	7	7
Revaluation reserves	-	-	1
Other reserves	1,845	1,774	1,738
Unappropriated profit for the year	143	121	81
Equity	1,995	1,902	1,827
Total Liabilities	**73,258**	**96,019**	**106,882**
Irrevocable commitments	4,812	5,358	4,306
Contingent liabilities	-	-	-

(1) Includes €61 billion, €59 billion and €60 billion of outstanding bonds issued under NWB Bank's various long-term debt issuance programs at 31 December 2022, 2021 and 2020, respectively.

INCOME STATEMENT

The following table sets out the income statement information for the years ended 31 December 2022, 2021 and 2020.

	Year ended 31 December		
	2022	**2021**	**2020**
		(€ millions)	
Interest and similar income	2,799	3,192	1,468
Interest and similar expense	2,497	2,906	1,224
Net interest income	302	286	244
Results from financial transactions	(30)	(20)	(55)
Other operating income	-	-	-
Total operating income	**272**	**266**	**189**
Employee benefits expense	17	13	12
Other administrative expenses	24	19	27
Employee benefits expense and other administrative expenses	41	32	39
Depreciation, amortization and value adjustments of intangible and tangible assets	4	3	3
Bank tax and resolution levy	28	38	12
Total operating expenses[(1)]	**73**	**73**	**54**
Profit from ordinary operations before tax	199	193	135
Tax on profit from ordinary operations	56	72	54
Extraordinary income	-	-	-
Net profit	**143**	**121**	**81**

(1) Including bank tax and NWB Bank's payments to the SRF.

CASH FLOW STATEMENT

The following table sets out cash flow statement information for the years ended 31 December 2022, 2021 and 2020.

	Year ended 31 December		
	2022	**2021**	**2020**
		(€ millions)	
Profit before income tax	199	193	135
Adjusted for:			
Depreciation, amortization and value adjustments of tangible and intangible assets	4	3	3
Unrealised change in fair value of assets and liabilities for fair value hedge accounting	(75)	114	203
Change in bank loans and receivables not available on demand	3,030	3,390	(1,824)
Change in public-sector loans and receivables	363	(466)	(1,393)
Change in funds entrusted	(1,546)	(637)	598
Change in other assets and liabilities	4,144	1,257	(2,613)
Net cash flows used in operating/banking activities	**6,119**	**3,854**	**(4,891)**
Additions to interest-bearing securities	(1,685)	(2,122)	(8,017)
Sales and redemptions of interest-bearing securities	1,557	3,001	7,005
Balance	**(128)**	**879**	**(1,012)**
Additions to tangible assets	(3)	(1)	(1)

	Year ended 31 December		
	2022	2021	2020
		(€ millions)	
Disposals	0	0	0
Balance	(3)	(1)	(1)
Additions to intangible assets	(4)	(2)	(0)
Net cash flows used in investing activities	**(135)**	**876**	**(1,016)**
Long-term debt securities issued	10,922	8,019	13,643
Redemption of long-term debt securities	(9,453)	(9,766)	(6,582)
Short-term debt securities issued	258,760	189,280	145,460
Redemption of short-term securities	(257,228)	(191,883)	(155,204)
Borrowed long-term loans funds entrusted[(1)]	200	320	25
Redemption long-term loans funds entrusted[(1)]	(103)	(788)	(88)
Borrowed long-term loans banks[(1)]	-	1,000	10,250
Redemption long-term loans banks[(1)]	(11,041)	(41)	(30)
Subordinated debt issued	-	-	-
Balance	(7,943)	(3,859)	7,474
Dividend paid	(50)	(100)	-
Net cash flow used in financing activities	**(7,993)**	**(3,959)**	**7,474**
Net cash flow	**(2,009)**	**771**	**1,567**
Cash flow	(2,009)	771	1,567
Cash and cash equivalents as at 1 January	10,628	9,857	8,290
Cash and cash equivalents as at 31 December	**8,619**	**10,628**	**9,857**

TAXATION

Tax Warning

Potential investors and sellers of Notes should be aware that they may be required to pay stamp taxes or other documentary taxes or fiscal duties or charges in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In addition, payments of interest on the Notes, or income derived from the Notes, may be subject to taxation, including withholding taxes, in the jurisdiction of the Issuer, in the jurisdiction of the holder of Notes, or in other jurisdictions in which the holder of Notes is required to pay taxes. Any such tax consequences may have an impact on the net income received from the Notes.

Prospective investors should carefully consider the tax consequences of investing in the Notes and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Taxation in the Netherlands

General

*The following is a general summary of certain material Dutch tax consequences of the acquisition, holding, redemption and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as 'afgezonderd particulier vermogen' ('**APV**'), as defined in the Dutch Income Tax Act 2001 (Wet inkomstenbelasting 2001), trusts or similar arrangements, or the (deemed) settlors or beneficiaries of such APVs, trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution.*

This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, including, for the avoidance of doubt, the tax rates applicable on the date hereof, and all of which are subject to change, possibly with retroactive effect. Any such change may invalidate the contents of this section, which will not be updated to reflect such change. Where this section refers to "the Netherlands" or "Dutch" it refers only to the part of the Kingdom of the Netherlands located in Europe.

Furthermore, this summary is based on the assumption that the Notes do not in fact qualify as equity of the Issuer for Dutch tax purposes.

This discussion is for general information purposes only and is not tax advice or a complete description of all tax consequences relating to the acquisition, holding, redemption and disposal of the Notes. Holders or prospective holders of Notes should consult their own tax advisors regarding the tax consequences relating to the acquisition, holding and disposal of the Notes in light of their particular circumstances.

Please note that the summary does not describe the Dutch tax consequences for:

(i) a holder of Notes if such holder has a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer under the Dutch Income Tax Act 2001. Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with such holder's partner for Dutch income tax purposes or any relatives by blood or marriage in the direct line (including foster children), directly or indirectly, holds (i) an interest of 5% or more of the total issued capital of that company or of 5% or more of the issued capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits or to 5% or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;

(ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), tax exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (each as defined in the Dutch Corporate Income Tax Act 1969; *Wet op*

de vennootschapsbelasting 1969) and other entities that are, in whole or in part, not subject to or exempt from Dutch corporate income tax; and

(iii) a holder of Notes if such holder is an individual for whom the Notes or any benefit derived from the Notes is a remuneration or deemed to be a remuneration for (employment) activities performed by such holder or certain individuals related to such holder (as defined in the Dutch Income Tax Act 2001).

This summary does not describe the consequences of any write down, cancellation, exchange or conversion of the Notes.

Withholding tax

All payments of principal or interest made by or on behalf of the Issuer under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, except that Dutch withholding tax at a rate of 25.8% (rate for 2023) may apply with respect to payments of interest made or deemed to be made by or on behalf of the Issuer, if the interest payments are made or deemed to be made to an entity related (*gelieerd*) to the Issuer (within the meaning of the Dutch Withholding Tax Act 2021; *Wet bronbelasting 2021*) (see below), if such related entity:

(i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*) (a 'Listed Jurisdiction'); or

(ii) has a permanent establishment located in a Listed Jurisdiction to which the interest payment is attributable; or

(iii) is entitled to the interest payment with the main purpose or one of the main purposes of avoiding taxation for another person or entity and there is an artificial arrangement or transaction or a series of artificial arrangements or transactions; or

(iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another entity as the recipient of the interest (a hybrid mismatch); or

(v) is not resident in any jurisdiction (also a hybrid mismatch); or

(vi) is a reverse hybrid (within the meaning of Article 2(12) of the Dutch Corporate Income Tax Act 1969), if and to the extent (x) there is a participant in the reverse hybrid holding a Qualifying Interest in the reverse hybrid, (y) the jurisdiction of residence of the participant holding the Qualifying Interest in the reverse hybrid treats the reverse hybrid as transparent for tax purposes and (z) such participant would have been subject to Dutch withholding tax in respect of the payments of interest without the interposition of the reverse hybrid,

all within the meaning of the Dutch Withholding Tax Act 2021.

Related entity
For purposes of the Dutch Withholding Tax Act 2021, an entity is considered *related* to the Issuer if:

(i) such entity has a Qualifying Interest (as defined below) in the Issuer;

(ii) the Issuer has a Qualifying Interest in such entity; or

(iii) a third party has a Qualifying Interest in both the Issuer and such entity.

The term 'Qualifying Interest' means a directly or indirectly held interest – either by an entity individually or jointly if an entity is part of a collaborating group (*samenwerkende groep*) – that enables such entity or such collaborating group to exercise a definite influence over another entity's decisions and allows it to determine its activities (as

interpreted by the European Court of Justice in case law on the right of freedom of establishment (*vrijheid van vestiging*)).

Taxes on income and capital gains

Dutch Resident Entities

Generally speaking, if the holder of Notes is an entity that is a resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes (a '**Dutch Resident Entity**'), any income derived or deemed to be derived from the Notes or any capital gains realized on the redemption, disposal or deemed disposal of the Notes is subject to Dutch corporate income tax at a rate of 19% with respect to taxable profits up to €200,000 and 25.8% with respect to taxable profits in excess of that amount (rates and brackets for 2023).

Dutch Resident Individuals

If a holder of Notes is an individual, resident or deemed to be resident of the Netherlands for Dutch income tax purposes (a 'Dutch Resident Individual'), any income derived or deemed to be derived from the Notes or any capital gains realized on the redemption, disposal or deemed disposal of the Notes is subject to Dutch personal income tax at the progressive rates (with a maximum of 49.5% in 2023), if:

(i) the Notes are attributable to an enterprise from which the holder of Notes derives a share of the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise without being a shareholder (as defined in the Dutch Income Tax Act 2001); or

(ii) the holder of Notes is considered to perform activities with respect to the Notes that go beyond ordinary, active asset management (*normaal, actief vermogensbeheer*) or otherwise derives benefits from the Notes that are taxable as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*).

If the above-mentioned conditions (i) and (ii) do not apply to Dutch Resident Individual, the Notes will be subject to an annual Dutch income tax under the regime for savings and investments (*inkomen uit sparen en beleggen*). Taxation only occurs insofar the Dutch Resident Individual's net investment assets for the year exceed a statutory threshold (*heffingvrij vermogen*). The net investment assets for the year are the fair market value of the investment assets less the fair market value of the liabilities on 1 January of the relevant calendar year (reference date; *peildatum*). Actual income or capital gains realized in respect of the Notes are as such not subject to Dutch income tax.

The Dutch Resident Individual's assets and liabilities taxed under this regime, including the Notes, are allocated over the following three categories: (a) bank savings (*banktegoeden*), (b) other investments (*overige bezittingen*), including the Notes, and (c) liabilities (*schulden*). The taxable benefit for the year (*voordeel uit sparen en beleggen*) is equal to the product of (i) the total deemed return divided by the sum of bank savings, other investments and liabilities and (ii) the sum of bank savings, other investments and liabilities minus the statutory threshold and is taxed at a flat rate of 32% (rate for 2023).

The deemed return applicable to other investments, including the Notes, is set at 6.17% for the calendar year 2023. Transactions in the three-month period before and after 1 January of the relevant calendar year implemented to arbitrate between the deemed return percentages applicable to bank savings, other investments and liabilities will for this purpose be ignored if the holder of Notes cannot sufficiently demonstrate that such transactions are implemented for other than tax reasons.

Non-residents of the Netherlands

A holder of Notes that is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch (corporate) income tax in respect of any income derived or deemed to be derived from the Notes or in respect of any capital gains realized on the redemption, disposal or deemed disposal of the Notes, provided that:

(i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Dutch Income Tax Act 2001 and the Dutch Corporate Income Tax Act 1969, as applicable) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed

permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and

(ii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary active asset management and does not otherwise derive benefits from the Notes that are taxable as benefits from miscellaneous activities in the Netherlands.

Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of Notes by way of a gift by or on behalf of, or on the death of, a holder of Notes who is resident or deemed resident of the Netherlands at the time of the gift or the holder's death. A gift made under a condition precedent is deemed to be made at the time the condition precedent is fulfilled.

Non-residents of the Netherlands

No Dutch gift or inheritance taxes will arise on the transfer of Notes by way of gift by or on behalf of, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless:

(i) in the case of a gift of a Note by an individual who at the date of the gift was neither resident nor deemed to be resident of the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident of the Netherlands; or

(ii) in the case of a gift of a Note is made under a condition precedent, the holder of the Notes is resident or is deemed to be resident of the Netherlands at the time the condition is fulfilled; or

(iii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Dutch gift and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or such person's death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value Added Tax (VAT)

No Dutch VAT is payable by a holder of Notes on (i) any payment in consideration for the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

Stamp duties

No Dutch documentation taxes (commonly referred to as stamp duties) will be payable by a holder of Notes in respect of (i) the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

United States Federal Income Taxation

General

The following is a discussion of certain U.S. federal income tax consequences of the ownership and disposition of Notes issued in registered form by the U.S. Holders described below. This disclosure does not address Notes issued in bearer form, which generally may not be offered or sold in the United States or to U.S. persons (as defined for U.S. federal income tax purposes). Unless an exemption applies, a U.S. person who acquires a Bearer Note generally will be subject to adverse U.S. federal income tax consequences. This discussion only applies to Notes that are purchased by a U.S. Holder described below in their initial offering at the 'issue price', which generally will equal the first price at which a substantial amount of the Notes of the relevant series is sold to the public (not including bond houses,

brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) for money, and where such U.S. Holder holds the Notes as capital assets.

This discussion does not describe all of the tax consequences that may be relevant to a U.S. Holder in light of its particular circumstances, including the possible effects of Section 451(b) of the Code and any consequences under the alternative minimum tax or the Medicare tax on net investment income, nor does it describe all of the tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- regulated investment companies;
- insurance companies;
- real estate investment trusts;
- dealers in securities or foreign currencies;
- traders in securities that elect to use a mark-to-market method of tax accounting;
- persons holding Notes as part of a 'straddle' or integrated transaction;
- persons whose functional currency is not the U.S. Dollar;
- tax exempt entities, 'individual retirement accounts,' and 'Roth IRAs';
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes; or
- persons carrying on a trade or business in the Netherlands or holding the Notes in connection with a trade or business conducted outside the United States.

If a partnership holds the Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Partnerships and their partners should consult their own tax advisers regarding the U.S. federal income tax consequences of an investment in the Notes.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, changes to any of which subsequent to the date of this Base Prospectus may affect the tax consequences described herein (possibly with retroactive effect). Persons considering the purchase of Notes are urged to consult their tax advisers with regard to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

This discussion applies only to Notes that are classified as indebtedness for U.S. federal income tax purposes. This discussion does not apply to every type of Note that may be issued under the Program, including certain Floating Rate Notes, Dual Currency Notes, FX Linked Interest Notes, Notes with maturities of more than 30 years and any other Notes that are subject to U.S. federal income tax consequences that are different from those described below. Additional or alternative material U.S. federal income tax consequences of such Notes may be addressed in a new base prospectus or drawdown prospectus, as applicable.

As used herein, the term '**U.S. Holder**' means a person that is for U.S. federal income tax purposes a beneficial owner of a Note and is:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Stated Interest. Stated interest paid on a Note will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes, provided that the interest is qualified stated interest (as defined below). Any amounts of tax withheld with respect to interest paid on the Notes and, without duplication, additional amounts paid with respect thereto will be treated as ordinary interest income. Interest income earned by a U.S. Holder with respect to a Note will constitute foreign-source income for U.S. federal income tax purposes, which may be relevant in calculating the U.S. Holder's foreign tax credit limitation. The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes, if any, in their particular circumstances. Special rules governing the treatment of interest paid with respect to Original Issue Discount Notes, including certain Variable Rate Notes and Foreign Currency Notes each as defined below are described under '*—Original Issue Discount and Variable Rate Notes*' and '*—Foreign Currency Notes*' below.

Original Issue Discount and Variable Rate Notes. A Note that is issued at an issue price less than its 'stated redemption price at maturity' will be considered to have been issued at an original issue discount for U.S. federal income tax purposes (and will be referred to in this section as an '**Original Issue Discount Note**') unless the Note satisfies a *de minimis* threshold (as described below) or is a Short-Term Note (as defined below). The 'stated redemption price at maturity' of a Note will equal the sum of all payments required under the Note other than payments of 'qualified stated interest'. 'Qualified stated interest' is stated interest unconditionally payable as a series of payments in cash or property (other than in debt instruments of the Issuer) at least annually during the entire term of the Note and equal to the outstanding principal balance of the Note multiplied by a single fixed rate of interest or, subject to certain conditions, based on one or more floating rates or indices.

All stated interest on a Variable Rate Note (as defined below) will constitute qualified stated interest if, throughout the term of the Note, it provides for stated interest at one of the variable rates described below that is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually. Therefore, such a Variable Rate Note will not be treated as having been issued with original issue discount unless it is issued at a 'true' discount (*i.e.*, at a price below the Note's stated principal amount by at least a specified *de minimis* amount). In general, a '**Variable Rate Note**' is a Note that provides for one or more qualified floating rates of interest, a single fixed rate and one or more qualified floating rates, a single objective rate, or a single fixed rate and a single objective rate that is a qualified inverse floating rate (as such terms are defined in applicable Treasury regulations), provided that the issue price of the Note does not exceed the total noncontingent principal payments due under the Note by more than an amount equal to the lesser of (x) 0.015 multiplied by the product of the total noncontingent principal payments and the number of complete years to maturity from the issue date and (y) 15% of the total noncontingent principal payments.

A 'qualified floating rate' is any variable rate whereas variations in the value of which can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Rate Note is denominated. An interest rate that is based on the product of a qualified floating rate and a fixed multiple or that subjects a qualified floating rate to a cap, floor, governor or similar restriction, may also be treated as a qualified floating rate if certain conditions are satisfied. An 'objective rate' is generally a rate that is determined using a single fixed formula and that is based on objective financial or economic information. A 'qualified inverse floating rate' is an objective rate that is equal to a fixed rate minus a qualified floating rate if variations in the rate can reasonably be expected to reflect inversely contemporaneous variations in the qualified floating rate (disregarding for those purposes any cap, floor, governor or similar restriction). If a Variable Rate Note provides for two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Note, the qualified floating rates together will constitute a single qualified floating rate. If interest on a debt instrument is stated at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period, and the value of the variable rate on the issue date is intended to approximate the fixed rate, the fixed rate and the variable rate together will constitute a single qualified floating rate or objective rate. Two or more qualified floating rates or a fixed rate and a variable rate will be conclusively presumed to meet the requirements of the preceding two sentences if the values of the applicable rates on the issue date are within 1/4 of one percentage point of each other. If a Variable Rate Note that provides (or is treated as providing) for interest at a single qualified floating rate or a single objective rate is issued with a 'true' discount, (*i.e.*, at a price below the Note's stated principal amount), and the discount is equal to or in excess of the specified *de minimis* amount described below, such discount must be allocated to a U.S. Holder's accrual periods using the constant-yield method described below by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating

rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Note.

If the difference between a Note's stated redemption price at maturity and its issue price is less than a *de minimis* amount, i.e., 1/4 of one per cent. of the stated redemption price at maturity multiplied by the number of complete years to maturity, then the Note generally will not be considered to have original issue discount.

A U.S. Holder of an Original Issue Discount Note will be required to include any qualified stated interest payments in income in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes and will be required to include original issue discount in income for U.S. federal income tax purposes as it accrues, in accordance with a constant-yield method based on a compounding of interest. Under this method, U.S. Holders of Original Issue Discount Notes generally will be required to include in income increasingly greater amounts of original issue discount in successive accrual periods.

Under applicable Treasury regulations, if the Issuer or the holder has an unconditional option to redeem a Note prior to its stated maturity date and certain other conditions are met, this option will be presumed to be exercised if, by utilizing any date on which the Note may be redeemed as the maturity date and the amount payable on that date in accordance with the terms of the Note as the stated redemption price at maturity, in the case of the Issuer's option, the yield on the Note would be lower than its yield to the stated maturity date or, in the case of the holder's option, the yield on the Note would be higher than its yield to the stated maturity date. If this option is not in fact exercised, the Note would be treated solely for purposes of calculating original issue discount as if it were redeemed, and a new note were issued, on the presumed exercise date for an amount equal to the Note's adjusted issue price on that date. The adjusted issue price of a Note is generally the issue price of the Note, increased by the amount of original issue discount previously includible in gross income and decreased by the amount of any payment previously made, other than a payment of qualified stated interest.

A U.S. Holder may make an election to include in gross income all interest that accrues on any Note (including stated interest, original issue discount or *de minimis* original issue discount, as adjusted by any amortizable bond premium) in accordance with a constant-yield method based on the compounding of interest (a '**constant-yield election**').

A Note that matures one year or less from its date of issuance (taking into account the last possible date that the Note could be outstanding in accordance with its terms, including any rights to extend or rollover) (a '**Short-Term Note**') will be treated as being issued at a discount, and none of the interest paid on the Note will be treated as qualified stated interest. In general, a cash-method U.S. Holder of a Short-Term Note is not required to accrue the discount for U.S. federal income tax purposes unless it elects to do so (but will be required to include in income any interest paid to such U.S. Holder). U.S. Holders who so elect and certain other U.S. Holders, including those who report income on the accrual-method of accounting for U.S. federal income tax purposes, are required to include the discount in income as it accrues, on a straight-line basis, unless another election is made to accrue the discount according to a constant-yield method based on daily compounding. In the case of a U.S. Holder who is not required and who does not elect to include the discount in income currently, any gain realized on the sale, exchange or retirement of the Short-Term Note will be ordinary income to the extent of the discount accrued, on a straight-line basis (or, if elected, according to a constant-yield method based on daily compounding) through the date of sale, exchange or retirement. In addition, such U.S. Holders will be required to defer deductions for any interest paid on indebtedness incurred to purchase or carry Short-Term Notes in an amount not exceeding the accrued discount that has not been included in income.

Pre-Acquisition Accrued Interest on Additional Notes. Under the terms of the Notes, if the Issuer issues additional Notes with the same CUSIP, ISIN, Common Code or other identifying number of outstanding Notes ('**Additional Notes**'), the Additional Notes and outstanding Notes must be fungible for U.S. federal income tax purposes. Unless the Additional Notes are issued on an interest payment date, a portion of the price paid for the Additional Notes will be attributable to interest that accrued prior to the issuance of the Additional Notes (the '**pre-acquisition accrued interest**'). On the first interest payment date on the Additional Notes, a portion of the interest received in an amount equal to the pre-acquisition accrued interest may be treated as a return of capital and not as a payment of interest on the Notes. Amounts treated as a return of capital should not be taxable when received. Pre-acquisition accrued interest not included in income will not form part of any amortizable bond premium as described below under '—Amortizable Bond Premium.'

Contingent Payment Debt Instruments. Special rules govern the tax treatment of debt obligations that are treated under applicable Treasury regulations as providing for contingent payments ('**Contingent Payment Debt Instruments**').

These rules generally require accrual of interest income on a constant-yield basis at an assumed yield determined at the time of issuance of the obligation. Adjustments will be required to these accruals when any contingent payments are made that differ from the payments calculated based on the assumed yield. Generally, any gain on the sale, exchange, retirement or other disposition of a Contingent Payment Debt Instrument will be ordinary income. The U.S. federal income tax treatment of any Notes that are treated as Contingent Payment Debt Instruments (including for example Notes that provide for floating interest rates but do not qualify as Variable Rate Notes) will be more fully described in a prospectus supplement, a new base prospectus or a drawdown prospectus, as applicable.

Amortizable Bond Premium. If a U.S. Holder purchases a Note for an amount that is greater than the sum of all amounts payable on the Note other than qualified stated interest, the U.S. Holder will be considered to have purchased the Note with amortizable bond premium equal to this excess. The U.S. Holder may elect to amortize this premium, using a constant-yield method, over the remaining term of the Note. Special rules may limit the amount of bond premium that can be amortized during certain accrual periods in the case of Notes that are subject to optional early redemption. A U.S. Holder may generally use the amortizable bond premium allocable to an accrual period to offset qualified stated interest required to be included in the U.S. Holder's income with respect to the Note in that accrual period. A U.S. Holder who elects to amortize bond premium must reduce its tax basis in the Note by the amount of the premium amortized in any year. An election to amortize bond premium applies to all taxable debt obligations held by the U.S. Holder on or after the first day of the taxable year in which the election is made and may be revoked only with the consent of the Internal Revenue Service.

If a U.S. Holder makes a constant-yield election (as described under '*—Original Issue Discount and Variable Rate Notes*' above) for a Note with amortizable bond premium, such election will result in a deemed election to amortize bond premium for all of the U.S. Holder's debt instruments with amortizable bond premium and may be revoked only with the permission of the Internal Revenue Service with respect to debt instruments held or acquired after the election.

Occurrence of a Benchmark Event for Notes Linked to or Referencing a Benchmark or Screen Rate. If a Benchmark Event occurs, the tax treatment of a U.S. Holder holding Notes linked to or referencing a benchmark or screen rate, including, EURIBOR, and any other IBOR, will depend on whether a replacement of the Original Reference Rate with an alternative reference rate is treated as a 'significant modification' that results in a deemed exchange of the existing Notes for 'new' Notes. In general, for U.S. federal income tax purposes, a significant modification occurs if, based on all the facts and circumstances and taking into account all modifications of the debt instrument collectively, the legal rights or obligations that are altered and the degree to which they are altered are economically significant. A modification is generally any alteration, including any deletion or addition, in whole or in part, of a legal right or obligation of the issuer or a holder of a debt instrument. The applicable U.S. Treasury regulations provide, however, that alterations that occur as a result of the operation of the terms of the debt instrument are not considered modifications for U.S. federal income tax purposes.

In addition, the IRS has recently issued final U.S. Treasury regulations which provide that, under certain circumstances, the replacement of a discontinued reference rate with another interest rate that is treated as a "qualified rate" will not be treated as a substantial modification under the applicable U.S. Treasury regulations.

The terms of the Notes generally provide for replacement of the Original Reference Rate in case of a Benchmark Event. Therefore, such replacement, if any, should occur as a result of the operation of the terms of the Notes and should not result in a modification of the Notes. In addition, such replacement may also not result in a modification of the Notes under the recently issued U.S. Treasury regulations. Although the matter is not entirely free from doubt, the Issuer intends to take the position that the occurrence of a Benchmark Event should not constitute a modification of the terms of the Notes, and the U.S. Holders should not recognize any gain or loss for U.S. federal income tax purposes as a result of the occurrence of a Benchmark Event. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of the replacement of the Original Reference Rate upon occurrence of a Benchmark Event.

Sale, Exchange or Retirement of the Notes. Upon the sale, exchange or retirement of a Note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the U.S. Holder's adjusted tax basis in the Note. Gain or loss, if any, will generally be U.S.-source for purposes of computing a U.S. Holder's foreign tax credit limitation. For these purposes, the amount realized does not include any amount attributable to accrued interest, which will be treated as interest as described under '*—Stated Interest*' above. A U.S. Holder's adjusted tax basis in a Note generally will equal such U.S. Holder's initial investment in the Note increased by any original issue discount included in income and decreased by any bond premium previously

amortized and principal payments or payments other than qualified stated interest previously received. In the case of Additional Notes, a U.S. Holder's tax basis should not include any amount of pre-acquisition accrued interest to the extent not included in income, as described in '*—Pre-Acquisition Accrued Interest on Additional Notes*' above.

Except as described below, gain or loss realized on the sale, exchange or retirement of a Note will generally be capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange or retirement the Note has been held for more than one year. An exception to this general rule applies in the case of a Short-Term Note to the extent of any accrued discount not previously included in the U.S. Holder's taxable income. See '*—Original Issue Discount and Variable Rate Notes*' above. In addition, other exceptions to this general rule apply in the case of certain Foreign Currency Notes (as defined below). See '*—Foreign Currency Notes*' below.

Foreign Currency Notes. The rules applicable to Notes denominated in (or the payments on which are determined by reference to) a currency other than U.S. Dollars ('**Foreign Currency Notes**') could require some or all of the gain or loss on the sale, exchange or other disposition of a Foreign Currency Note to be recharacterized as ordinary income or loss. The rules applicable to Foreign Currency Notes are complex. Various elections are available under these rules. U.S. Holders are urged to consult their tax advisers regarding the U.S. federal income tax consequences of the acquisition, ownership and disposition of Foreign Currency Notes.

A U.S. Holder who uses the cash-method of tax accounting and who receives a payment of qualified stated interest (or who receives proceeds from a sale, exchange or other disposition attributable to accrued stated interest) in a foreign currency with respect to a Foreign Currency Note will be required to include in income the U.S. Dollar value of the foreign currency payment (determined based on a spot rate on the date the payment is received) regardless of whether the payment is in fact converted into U.S. Dollars at that time, and this U.S. Dollar value will be the U.S. Holder's tax basis in the foreign currency received.

An accrual-method U.S. Holder will be required to include in income the U.S. Dollar value of the amount of interest income (including original issue discount and reduced by amortizable bond premium to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a Foreign Currency Note during an accrual period. The U.S. Dollar value of the accrued income will be determined by translating the income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. Alternatively, an accrual-method U.S. Holder may elect to translate interest income (including original issue discount) into U.S. Dollars at the spot rate on the last day of the interest accrual period (or, in the case of a partial accrual period, on the last day of the taxable year) or, if the date of receipt is within five business days of the last day of the interest accrual period, on the date of receipt. A U.S. Holder that makes this election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the Internal Revenue Service.

An accrual-method U.S. Holder will recognize ordinary U.S.-source income or loss (which will not be treated as interest income or expense) with respect to accrued interest income on the date the interest payment or payment of proceeds from the sale, exchange or other disposition attributable to accrued interest is actually received. The amount of ordinary income or loss recognized will equal the difference between the U.S. Dollar value of the foreign currency payment received (determined based on a spot rate on the date the payment is received) in respect of the accrual period and the U.S. Dollar value of interest income that has accrued during the accrual period (as determined above). Rules similar to these rules apply in the case of cash-method U.S. Holders who are required currently to accrue original issue discount on a Foreign Currency Note.

Original issue discount and amortizable bond premium on a Foreign Currency Note are determined in the relevant foreign currency.

If an election to amortize bond premium is made, amortizable bond premium taken into account on a current basis will reduce interest income in units of the relevant foreign currency. Gain or loss attributable to fluctuations in exchange rates will be realized on amortized bond premium with respect to any period by treating the bond premium amortized in the period in the same manner as it would have been treated on the sale, exchange or retirement of the Foreign Currency Note. Any such exchange gain or loss will be ordinary income or loss as described below. If the election is not made, any bond premium will be taken into account in determining the overall gain or loss on the Notes and any loss realized on the sale, exchange or retirement of a Foreign Currency Note with amortizable bond premium by a U.S. Holder who has not elected to amortize the premium will be a capital loss to the extent of the bond premium, subject to the discussion of foreign currency loss below.

A U.S. Holder's tax basis in a Foreign Currency Note will be the U.S. Dollar value of the foreign currency amount paid for such Foreign Currency Note determined on the date of the purchase, and the amount of any subsequent adjustment to the U.S. Holder's tax basis (including adjustments for original issue discount included as income and any bond premium previously amortized or principal payments received) will be the U.S. Dollar value of the foreign currency amount of the adjustment determined on the date of the adjustment. The amount realized on a sale, exchange or retirement of a Foreign Currency Note will generally be the U.S. Dollar value of the foreign currency received (except to the extent attributable to accrued interest), determined on the date of the sale, exchange or retirement. However, if a Foreign Currency Note is traded on an 'established securities market' and the U.S. Holder is a cash-method taxpayer or an electing accrual-method taxpayer, the U.S. dollar value of the foreign currency amount paid for such Note and the amount realized on the disposition of such Note will be the determined based on the spot rate on the settlement date of the purchase or disposition. An accrual-method U.S. Holder making the election described in the preceding sentence must apply such election consistently to all debt instruments denominated in foreign currency which are traded on 'established securities markets' and cannot change it without the consent of the Internal Revenue Service.

Gain or loss realized upon the sale, exchange or retirement of a Foreign Currency Note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss which will not be treated as interest income or expense. Gain or loss attributable to fluctuations in exchange rates will equal the difference between (i) the U.S. Dollar value of the foreign currency principal amount of the Note, determined on the date the payment is received or the Note is disposed of (or if the Note is traded on an 'established securities market', on the settlement date if the U.S. Holder is a cash-method taxpayer or an accrual-method taxpayer making the election described in the preceding paragraph); and (ii) the U.S. Dollar value of the foreign currency principal amount of the Note, determined on the date the U.S. Holder acquired the Note. Payments received attributable to accrued qualified stated interest will be treated in accordance with the rules applicable to payments of interest on Foreign Currency Notes described above. The foreign currency gain or loss with respect to the sale or other taxable disposition (including with respect to accrued interest received on the sale or other taxable disposition) will be recognized only to the extent of the total gain or loss realized by the U.S. Holder on the sale, exchange or retirement of the Foreign Currency Note. The foreign currency gain or loss will be U.S.-source income or loss. Any gain or loss realized by a U.S. Holder in excess of the foreign currency gain or loss will be capital gain or loss (except in the case of a Short-Term Note, to the extent of any discount not previously included in the U.S. Holder's income).

A U.S. Holder will have a tax basis in any foreign currency received on the sale, exchange or retirement of a Foreign Currency Note equal to the U.S. Dollar value of the foreign currency, determined at the time of sale, exchange or retirement (or if the Note is traded on an 'established securities market', on the settlement date of the sale, exchange or retirement if the U.S. Holder is a cash-method taxpayer or an electing accrual-method taxpayer). Any gain or loss realized by a U.S. Holder on a sale or other disposition of foreign currency (including its exchange for U.S. Dollars or its use to purchase Foreign Currency Notes) will be ordinary income or loss.

A U.S. Holder may be required to file a reportable transaction disclosure statement with its U.S. federal income tax return, if such U.S. Holder realizes a loss on the sale or other disposition of a Foreign Currency Note and such loss is greater than an applicable threshold amount, which differs depending on the status of the U.S. Holder. A U.S. Holder that claims a deduction with respect to a Foreign Currency Note should consult its own tax adviser regarding the need to file a reportable transaction disclosure statement.

Backup Withholding and Information Reporting. Information returns may be filed with the Internal Revenue Service in connection with payments on the Notes and the proceeds from a sale or other disposition of a Note. A U.S. Holder may be subject to backup withholding on these payments if the U.S. Holder fails to provide its taxpayer identification number and comply with certain certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

Certain individual U.S. Holders (and certain specified U.S. entities) may be required to report to the Internal Revenue Service certain information relating to their beneficial ownership of Notes or of non-U.S. financial accounts through which the Notes may be held. U.S. Holders who fail to report the required information could be subject to substantial penalties.

Taxation in Luxembourg

The comments below are intended as a basic summary of certain withholding tax consequences in relation to the purchase, ownership and disposition of the Notes under Luxembourg law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to certain resident individual Noteholders, there is no Luxembourg withholding tax on payments of at arms' length interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to certain resident individual Noteholders, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

However, according to the Luxembourg law of 23 December 2005 (as amended, the '**Law**'), payment of interest or similar income (within the meaning of the Law) on debt instruments made or deemed made by a paying agent (within the meaning of the Law) established in Luxembourg to or for the benefit of an individual Luxembourg resident for tax purposes who is the beneficial owner of such payment may be subject to a final tax at a rate of 20%. Such final tax will be in full discharge of income tax if the individual beneficial owner acts in the course of the management of his/her private wealth. Responsibility for the withholding and payment of the tax lies with the Luxembourg paying agent.

An individual beneficial owner of interest or similar income (within the meaning of the Law) who is a resident of Luxembourg and acts in the course of the management of his/her private wealth may opt for a final tax of 20% when he/she receives or is deemed to receive such interest or similar income from a paying agent established in another EU Member State or in a Member State of the EEA which is not an EU Member State. Responsibility for the declaration and the payment of the 20% final tax is assumed by the individual resident beneficial owner of interest.

Taxation in France

The following is an overview addressing only the French compulsory withholding tax treatment of income arising from the Notes. This overview is (i) based on the laws and regulations in full force and effect in France as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect, and (ii) prepared on the assumption that the Issuer is not a French resident for French tax purposes (whether actually or constructively) and the Notes (and any transaction in relation to the Notes) are not attributed or attributable to a French branch, permanent establishment or place of business of the Issuer for French tax purposes. Investors should be aware that the comments below are of a general nature and do not constitute legal or tax advice and should not be understood as such. Prospective investors are therefore advised to consult their own qualified advisers so as to determine, in the light of their individual situation, the tax consequences of the purchase, holding, redemption or sale of the Notes.

Withholding tax

All payments by the Issuer in respect of the Notes will be made free of any compulsory withholding or deduction for or on account of any income tax imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein, except that subject to certain exceptions, interest and other similar revenues paid by paying agents (*établissements payeurs*) established in France and received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at a global rate of 17.2 per cent on such interest and other similar revenues paid by paying agents (*établissements payeurs*) established in France to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

Taxation in Germany

The overview below is a basic summary of certain German withholding tax consequences in relation to the Notes and is included herein solely for information purposes and does not purport to be a comprehensive description of the entire German withholding tax regime. Persons who are in any doubt as to their tax position should consult a professional tax advisor. The overview is based on the laws, regulations and administrative and judicial interpretations presently in force in Germany which may be subject to change in the future, potentially with retroactive

or retrospective effect. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to German tax law and/or concepts only.

*The law as currently in effect provides for a reduced tax rate ('**flat tax regime**' – Abgeltungssteuer) for certain capital investment income, and, in particular, interest income on the part of German tax resident private investors. There is an on-going discussion in Germany whether the reduced tax rate should be increased or abolished altogether so that investment income would be taxed at regular rates. It is still unclear, whether, how and when the current discussion may result in any legislative changes.*

On the date of this Base Prospectus, there is in the Federal Republic of Germany no statutory obligation for the Issuer to withhold or deduct any German withholding tax at source from payments of interest and repayments of capital on the Notes as well as gains from the disposal, redemption, repayment or assignment of the Notes, unless the Issuer qualifies as a German Disbursing Agent (as defined below) with respect to the Notes.

If the Notes are kept or administered in a securities deposit account with a German branch of a German or non-German credit institution (*Kreditinstitut*) or financial services institution (*Finanzdienstleistunginstitut*),or a German securities institution (*Wertpapierinstitut*) (each a 'German Disbursing Agent', *auszahlende Stelle*) and the German Disbursing Agent pays out or credits the investment income, the German Disbursing Agent will generally withhold a withholding tax (*Kapitalertragsteuer*) of 25 per cent. plus a solidarity surcharge of 5.5 per cent. thereon (resulting in a total withholding tax charge of 26.375 per cent.) from payments of interest and from gains from the disposal, redemption, repayment or assignment of Notes. Furthermore, church tax may also be withheld if the individual investor is a member of a church collecting such a tax. However, church tax is not collected by way of withholding if the investment income forms part of income from trade business, self-employment, agriculture and forestry, or letting and leasing.

Where Notes are not kept or administered in a securities deposit account with a German Disbursing Agent and interest or proceeds from the disposal, redemption, repayment or assignment of Notes issued in definitive form are paid by a German Disbursing Agent upon physical delivery of the Notes or interest coupons (over-the-counter transactions (*Tafelgeschäft*)), withholding tax will generally also apply. In this case, 30% of the proceeds from the disposal, redemption, repayment or assignment of Notes will be treated as capital gain. Moreover, also non-residents will be subject to German withholding tax when collecting interest or proceeds from the disposal, redemption, repayment or assignment of Notes in an over-the-counter transaction from a German Disbursing Agent but they may be able to subsequently reclaim the German tax withheld in whole or in part.

Please note that the solidarity surcharge has been partially abolished as of the assessment period 2021 for certain individuals. The solidarity surcharge shall, however, continue to apply for capital investment income and, thus, on withholding taxes levied. In case the individual income tax burden for an individual holder is lower than 25% the holder can apply for his/her capital investment income being assessed at his/her individual tariff-based income tax rate in which case solidarity surcharge would be refunded.

Taxation in the United Kingdom

*The following is a general summary of the Issuer's understanding of certain aspects of current United Kingdom law and published HM Revenue & Customs ('**HMRC**') practice relating to certain aspects of United Kingdom taxation. It applies only to persons who are the absolute beneficial owners of Notes and related Coupons and may not apply to certain classes of persons, such as dealers and persons connected with the Issuer, to whom special rules may apply.*

Prospective Noteholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the United Kingdom should seek independent professional advice without delay.

The Issuer may make payments in respect of the Notes without deduction or withholding for or on account of United Kingdom tax where such payments do not have a 'United Kingdom source'. Interest on Notes may have a United Kingdom source ('**UK Interest**'); for example interest on Notes secured on assets situated in the United Kingdom may have a United Kingdom source.

Payments of UK Interest made in respect of Notes which carry a right to interest and either: (i) are and continue to be listed on a 'recognised stock exchange' within the meaning of section 1005 Income Tax Act 2007 ('**ITA 2007**'); or (ii) are and continue to be 'admitted to trading on a multilateral trading facility' operated by a regulated recognised

stock exchange within the meaning of section 987 ITA 2007 that is regulated in the UK or the EEA, may, in either case, be made without withholding or deduction for or on account of United Kingdom income tax.

Payments of UK Interest on Notes may be made without deduction or withholding for or on account of United Kingdom tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

Section 1005(3) ITA 2007 provides that securities will be listed on a recognised stock exchange if (and only if) they are admitted to trading on that exchange, and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V., the Luxembourg Stock Exchange and Euronext Paris, the regulated market of Euronext Paris S.A., are recognised stock exchanges. Accordingly, provided the Notes are and remain admitted to trading on one of either Euronext Amsterdam, Luxembourg Stock Exchange or Euronext Paris, and are and remain officially listed as described above, the Issuer is entitled to make payments of interest on such Notes without deduction for or on account of United Kingdom income tax.

In cases falling outside the exemptions described above, UK Interest on Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20%) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

If Notes are issued at a discount to their principal amount, any such discount element is not subject to any United Kingdom withholding tax. If Notes are redeemed at a premium to principal amount (as opposed to being issued at a discount) then, depending on the circumstances, such premium may constitute a payment of interest for United Kingdom tax purposes and hence be subject to the United Kingdom withholding tax rules outlined above.

The Foreign Account Tax Compliance Act

Pursuant to certain provisions of the Code, commonly known as FATCA ('**FATCA**'), a 'foreign financial institution' may be required to withhold on certain payments it makes ('foreign passthru payments') to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes.

A number of jurisdictions (including the Netherlands) 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 the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the 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. However, if additional notes (as described under '*Terms and Conditions – Further Issues'*) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all such Notes, including those Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event that any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

BENEFIT PLAN INVESTOR CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974 (as amended, '**ERISA**'), and Section 4975 of the Code, impose certain requirements on (a) employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA, (b) individual retirement accounts, 'Keogh' plans or other 'plans' (as defined in Section 4975(e)(1) of the Code) that are subject to Section 4975 of the Code, (c) persons or entities whose underlying assets include, or are deemed to include '**plan assets**' by reason of any such employee benefit plan or plan's investment therein under the U.S. Department of Labor (the '**DOL**') regulation at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise for purposes of Title I of ERISA or Section 4975 of the Code (the foregoing (a)-(c), collectively, '**Plans**') and (d) persons who are fiduciaries with respect to Plans. In addition, plans maintained outside of the United States primarily for the benefit of persons substantially all of whom are non-resident aliens ('**Foreign Plans**'), 'governmental plans' (as defined in Section 3(32) of ERISA), and church plans (as defined in Section 3(33) of ERISA) that have made no election under Section 410(d) of the Code) (collectively, '**Non-ERISA Arrangements**'), while not subject to the fiduciary responsibility provisions of Title I of ERISA or the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code, may be subject to other U.S. federal state, local or non-U.S. law or regulation that contains one or more provisions that are substantially similar to Section 406 of ERISA or Section 4975 of the Code ('**Similar Law**').

In addition to ERISA's general fiduciary standards, Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Plan and persons who have specified relationships to the Plan, *i.e.*, 'parties in interest' (as defined in Section 3(14) of ERISA) or 'disqualified persons' as defined in Section 4975 of the Code (the foregoing are collectively referred to as '**parties in interest**') unless exemptive relief is available under an exemption issued by the U.S. Department of Labor. Parties in interest that engage in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code. NWB Bank, any dealer and any of their current and future affiliates, including the calculation agent, may be parties in interest with respect to many Plans. Thus, a Plan fiduciary considering an investment in a Note should also consider whether such an investment might constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code. For example, a Note may be deemed to represent a direct or indirect sale of property, extension of credit or furnishing of services between NWB Bank and an investing Plan which would be prohibited if NWB Bank is a party in interest with respect to the Plan, unless exemptive relief were available.

In this regard, each prospective purchaser that is, or is acting on behalf of, a Plan, and proposes to purchase any Note or interest therein, should consider the relief available under the following prohibited transaction class exemptions, or **PTCEs**: (A) the in-house asset manager exemption ('**IPAM**') (PTCE 96-23), (B) the insurance company general account exemption (PTCE 95-60), (C) the bank collective investment fund exemption (PTCE 91-38), (D) the insurance company pooled separate account exemption (PTCE 90-1) and (E) the qualified professional asset manager exemption ('**QPAM**') (PTCE 84-14). In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code provide a limited exemption for the purchase and sale of securities and related lending transactions, provided that neither the issuer of the securities nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction and provided further that the Plan neither pays more nor receives less than adequate consideration in connection with the transaction (the so-called '**service provider exemption**'). NWB Bank and the Dealers make no assurance that any of these statutory or class exemptions will be available with respect to transactions involving the Notes.

Each purchaser or holder of a Note (including any interest in a Note), and each fiduciary who causes any entity to purchase or hold a Note, shall be deemed to have represented and warranted, on each day such purchaser or holder holds such Note (or interest therein), that either (i) it is not, and is not acting on behalf of, and for so long as it holds a Note (or any interest therein), it will not be, and will not be acting on behalf of, a Plan or a Non-ERISA Arrangement; or (ii) its acquisition, holding and subsequent disposition of such Note (or any interest therein) shall not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any Similar Law.

In addition, each purchaser or holder of a Note (including any interest therein) pursuant to this Base Prospectus that is a Plan or is purchasing or holding the Note (including any interest therein) on behalf of a Plan will be deemed to represent, warrant and acknowledge, that it understands that none of NWB Bank and the Dealers has undertaken or will undertake to provide impartial investment advice to the Plan or its fiduciary, or has given or will give advice in a fiduciary capacity, in connection with the purchaser or holder's purchase or holding of the Note (including any interest therein).

Fiduciaries of any Plans and Non-ERISA Arrangements should consult their own legal counsel before purchasing a Note. Each purchaser and holder of a Note will have exclusive responsibility for ensuring that its acquisition, holding and subsequent disposition of a Note (or any interest therein) does not violate the fiduciary or prohibited transaction rules of ERISA, Section 4975 of the Code or any Similar Law. Nothing herein shall be construed as a representation that an investment in a Note would meet any or all of the relevant legal requirements with respect to investments by, or is appropriate for, Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement. Additionally, neither this discussion nor anything in this Base Prospectus is or is intended to be investment advice directed at any purchaser or holder that is using plan assets of a Plan or Non-ERISA Arrangement, or at such purchasers or holders generally.

PLAN OF DISTRIBUTION

Under the Program, Notes may be issued from time to time by the Issuer to any one or more of the Dealers. The Dealers have, in an amended and restated program agreement dated 28 April 2023 (as further amended and/or supplemented and/or restated from time to time, the '**Program Agreement**'), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated in '*Form of the Notes*' and '*Terms and Conditions of the Notes*'. In the Program Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the re-documentation of the Program and the issue of Notes under the Program. The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which case a supplemental base prospectus, a new base prospectus or a drawdown prospectus, as appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes and which will be subject to the prior approval of the AFM.

Conflicts

Certain of the Dealers and their affiliates have engaged in, and may in the future engage in, lending, advisory, corporate finance services, investment banking and other commercial dealings in the ordinary course of business with, and may perform services for, the Issuer or its affiliates and/or for companies involved directly or indirectly in the sector in which the Issuer and/or its affiliates operate. They have received, or may in future receive, customary fees, reimbursement of expenses, indemnification and commissions for these transactions. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Program, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

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

General

Each Dealer has represented and agreed that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act or any U.S. state securities laws and the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws, or pursuant to an effective registration statement. Accordingly, the Notes are being offered, sold or delivered only: (a) outside the United States in offshore transactions in reliance on Regulation S; and (b) in the United States only to QIBs in connection with resales by the Dealers in reliance on and in compliance with Rule 144A.

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. Treasury 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.

Each Dealer has represented and agreed that, except as permitted by the Program Agreement, it will not offer, sell or deliver such Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, other than pursuant to Rule 144A and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto, 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.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (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 Rule 144A or another exemption from registration under the Securities Act.

Dealers may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate nominal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is U.S. $200,000 (or the approximate equivalent thereof in any other currency). To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are 'restricted securities' within the meaning of the Securities Act, the Issuer has undertaken to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by it, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, any of the Notes remain outstanding as 'restricted securities' within the meaning of Rule 144(a)(3) under the Securities Act and the Issuer is neither a reporting company under Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder. Swedbank's ability to engage in U.S. securities dealings is limited under the U.S. Holding Company Act and it may not offer or sell Notes that are offered or sold in the United States. Swedbank will only offer and sell the Notes that are part of its allotment solely outside the United States. Nordea Bank Abp is not registered as a U.S. broker-dealer and consequently will not effect any offers or sales of any notes in the United States unless intermediated by Nordea Securities LLC, an affiliated U.S. registered broker-dealer. Nordea Bank Abp's activities in the United States will be effected only to the extent permitted by Rule 15a-6 under the Exchange Act.

The Notes in bearer form will be issued in accordance with the provisions of U.S. Treasury Regulation § 1.163-5(c)(2)(i)(D) or, any successor rules in substantially the same form as such rules for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986 (as amended, the '**Code**') (the '**TEFRA D Rules**'), unless the applicable Final Terms specify (i) that the Notes will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(C) or, any successor rules in substantially the same form as such rules for purposes of Section 4701 of the Code (the '**TEFRA C Rules**') or (ii) in the case of Notes with a term of one year or less taking into account any unilateral right to extend or rollover, that TEFRA is not applicable.

In respect of Notes in bearer form issued or to be issued in accordance with the TEFRA D Rules, each Dealer has represented and agreed that:

(a) except to the extent permitted under the TEFRA D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Notes to a person who is within the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Notes that are sold during the restricted period;

(b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;

(c) if such Dealer is a United States person, it represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and, if such Dealer retains Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D)(6) or any successor provision for purposes of Section 4701 of the Code;

(d) with respect to each affiliate (if any) that acquires from such Dealer Notes for the purposes of offering or selling such Notes during the restricted period, such Dealer either (i) hereby represents and agrees on behalf of such affiliate (if any) to the effect set forth in sub-paragraphs (a), (b) and (c) of this paragraph or (ii) agrees that it will obtain from such affiliate (if any) for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) of this paragraph; and

(e) such Dealer will obtain for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b), (c) and (d) of this paragraph from any person other than its affiliate with whom it enters into a written contract, as defined in U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D)(4) or any successor provision for purposes of Section 4701 of the Code, for the offer and sale of Notes during the restricted period.

Terms used in the above paragraph have the meanings given to them by the Code, as amended, and regulations promulgated thereunder, including the TEFRA D Rules.

Permanent and Definitive Notes issued pursuant to the TEFRA D Rules and any receipts or coupons appertaining thereto will bear 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.'

Where the TEFRA C Rules are specified in the applicable Final Terms as being applicable in relation to any issue of Notes in bearer form, such Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Accordingly, each Dealer has represented and agreed in respect of such Notes that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any such Notes within the United States or its possessions in connection with the original issuance. Further, each Dealer has represented and agreed in connection with the original issuance of such Notes, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such Dealer or such purchaser is within the United States or its possessions and will not otherwise involve the U.S. office of such Dealer in the offer and sale of Notes. Terms used in this paragraph have the meanings given to them by the Code, and regulations promulgated thereunder, including the TEFRA C Rules.

Each Dealer has agreed that it has not entered and will not enter into any contractual arrangements with respect to the distribution or delivery of Notes except with its affiliates (if any) or with the prior written consent of the Issuer.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression '**retail investor**' means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
(iii) not a qualified investor as defined in the Prospectus Regulation; and

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

United Kingdom

Prohibition of sales to UK Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression '**retail investor**' means a person who is one (or more) of the following:
(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('**EUWA**'); or
(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the '**FSMA**') and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
(iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

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

Other regulatory restrictions

Each Dealer has represented and agreed that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

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

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

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the '**Financial Instruments and Exchange Act**'). Accordingly, each of the Dealers has

represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree that, it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

The Netherlands

Each Dealer has represented and agreed that Zero Coupon Notes (as defined below) in definitive form of the Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam with due observance of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required in respect of (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) the issue and trading of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of their initial distribution or immediately thereafter. In the event that the Dutch Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatsblad 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For purposes of this paragraph '**Zero Coupon Notes**' means Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

France

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in France and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France this Base Prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to qualified investors (*investisseurs qualifiés*) Article 2(e) of the Prospectus Regulation.

Belgium

The Notes are not intended to be offered, sold or resold, transferred or delivered or otherwise made available to and should not be offered sold or resold, transferred or delivered or otherwise made available to any individual in Belgium qualifying as a consumer (*consumment/consommateur*) within the meaning of Article I.1 of the Belgian Code of Economic Law (*Wetboek van economisch recht / Code de droit économique*), as amended from time to time.

Switzerland

The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (the '**FinSA**') and will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither the Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the FinSA and neither the Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under these Securities and Futures Act, 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the '**SFA**'). Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within six months after that corporation or that trust has acquired the Senior Notes pursuant to an offer made under Section 275 of the SFA except:

    (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

    (2) where no consideration is or will be given for the transfer;

    (3) where the transfer is by operation of law; or

    (4) as specified in Section 276(7) of the SFA.

Any reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

SINGAPORE: SECTION 309B(1)(C) NOTIFICATION – In connection with Section 309B of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the '**SFA**') and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the '**CMP Regulations 2018**'), the Issuer has, unless otherwise specified before an offer of Notes, determined the classification of all Notes to be

issued under the Program as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

TRANSFER RESTRICTIONS

As a result of the following restrictions, purchasers of Notes are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Regulation S Notes

Each purchaser of Bearer Notes or Registered Notes offered and sold outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented, agreed and acknowledged that:

(i) it is, or at the time Notes are purchased will be, the beneficial owner of such Notes;

a. it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S); and

b. it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate;

(ii) it understands that such Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and that, prior to the expiration of the distribution compliance period (as defined in Regulation S), it will not offer, sell, pledge or otherwise transfer such Notes except:

a. in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; or

b. to the Issuer; or in the case of Registered Notes only, in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or the account of one or more QIBs;

in each case in accordance with any applicable securities laws of any state of the United States; and

(iii) it understands that the Issuer, the Registrars, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer.

On or prior to the fortieth day after the relevant issue date, Notes represented by an interest in a Regulation S Global Note may be transferred to a person who wishes to hold such Notes in the form of an interest in a Rule 144A Global Note only (a) upon receipt by the relevant Registrar of a written certification from the transferor to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB, in a transaction meeting the requirements of Rule 144A or (b) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States and, in each case, in accordance with any applicable securities laws of any state of the United States. After such fortieth day, such certification requirements will no longer apply to such transfers, but such transfers will continue to be subject to the transfer restrictions contained in the legend appearing on the face of such Registered Global Note, as described below.

Notes represented by an interest in Legended Notes may also be transferred to a person who wishes to hold such Notes in the form of an interest in a Regulation S Global Note, but only upon receipt by the relevant Registrar of a written certification from the transferor to the effect that such transfer is being made in accordance with Regulation S or Rule 144 (if available) under the Securities Act and that in the case of a Regulation S Global Note registered in the name of a nominee for DTC, if such transfer is being made on or prior to the fortieth day after the relevant issue date, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg.

Any interest in a Note represented by a Regulation S Global Note that is transferred to a person who takes delivery in the form of an interest in a Note represented by a Rule 144A Global Note will, upon transfer, cease to be an interest

in a Note represented by a Regulation S Global Note and become an interest in a Note represented by a Rule 144A Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to Notes represented by a Rule 144A Global Note.

Rule 144A Notes

Each purchaser of Notes that is a U.S. person or within the United States, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged as follows (terms used in the following paragraphs that are defined in Rule 144A have the respective meanings given to them in Rule 144A):

(i) the purchaser is (a) a QIB, (b) acquiring the Notes for its own account or for the account of one or more QIBs, (c) not formed for the purpose of investing in the Notes or the Issuer and (d) is aware, and each beneficial owner of such Notes has been advised that the sale of the Notes to it is being made in reliance on Rule 144A;

(ii) the purchaser understands that (1) the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (d) pursuant to an effective registration statement under the Securities Act or (e) to the Issuer or any of its affiliates, in each case in accordance with any applicable securities laws of any state of the United States and (2) it will, and each subsequent holder of the Registered Notes offered and sold in the United States is required to, notify any purchaser of such Notes from it of the resale restrictions applicable to such Notes;

(iii) either (A) it is not, and is not acting on behalf of, and for so long as it holds a Note (or any interest therein), it will not be, and will not be acting on behalf of, (i) an 'employee benefit plan' that is subject to Title I of ERISA, (ii) an individual retirement account, Keogh plan or other arrangement subject to Section 4975 of the Code, (iii) an entity whose underlying assets include 'plan assets' by reason of any such employee benefit plan, plan, account or arrangement's investment therein (each of the foregoing, a '**Plan**') or (iv) a governmental, church or non-U.S. plan which is subject to any U.S. federal, state, local or non-U.S. law or regulation that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ('**Similar Law**'), or (B) its acquisition, holding and subsequent disposition of a Note (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any Similar Law;

(iv) if it is a Plan or is purchasing or holding the Note (including any interest therein) on behalf of a Plan, it understands that none of the Issuer and the Dealers has undertaken or will undertake to provide impartial investment advice to the Plan or its fiduciary, or has given or will give advice in a fiduciary capacity, in connection with the purchaser's purchase or holding of the Note (or any interest therein);

(v) the purchaser understands that the Notes in registered form other than the Regulation S Global Notes will bear a legend to the following effect, unless the Issuer determines otherwise in accordance with applicable law:

'THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933(AS AMENDED, THE '**SECURITIES ACT**'), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OF THE NOTES REPRESENTED HEREBY, THE HOLDER (A) REPRESENTS THAT IT IS A 'QUALIFIED INSTITUTIONAL BUYER' (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE NOTES REPRESENTED HEREBY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE NOTES REPRESENTED HEREBY EXCEPT IN ACCORDANCE WITH THE

AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE ISSUE DATE (OR THE DATE ON WHICH FULL CONSIDERATION HAS BEEN PAID FOR PARTLY PAID NOTES) AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH NOTES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THE NOTES REPRESENTED HEREBY ARE TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS NOTE CERTIFICATE AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF BUT UPON NOTICE TO, THE HOLDERS OF THE NOTES REPRESENTED HEREBY SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THE NOTES REPRESENTED HEREBY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THE NOTES REPRESENTED HEREBY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THE NOTES REPRESENTED HEREBY AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFORE, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

BY ITS PURCHASE AND HOLDING OF THE NOTES REPRESENTED HEREBY (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED, ON EACH DAY SUCH PURCHASER OR HOLDERS HOLDS THE NOTES REPRESENTED HEREBY (OR ANY INTEREST HEREIN), THAT EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THE NOTES REPRESENTED HEREBY (OR ANY INTEREST HEREIN) WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (I) AN 'EMPLOYEE BENEFIT PLAN' THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (AS AMENDED, '**ERISA**'), (II) AN INDIVIDUAL RETIREMENT ACCOUNT, KEOGH PLAN OR OTHER ARRANGEMENT SUBJECT TO SECTION 4975 THE U.S. INTERNAL REVENUE CODE OF 1986 (AS AMENDED, THE '**CODE**'), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE 'PLAN ASSETS' BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN, PLAN, ACCOUNT OR ARRANGEMENT'S INVESTMENT THEREIN (EACH OF THE FOREGOING, A '**PLAN**'), OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL, OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ('**SIMILAR LAW**'), OR (B) ITS ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THE NOTES REPRESENTED HEREBY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF ANY SIMILAR LAW.

EACH PURCHASER OR HOLDER OF THE NOTES REPRESENTED HEREBY (INCLUDING ANY INTEREST HEREIN) THAT IS A PLAN OR IS PURCHASING OR HOLDING THE NOTES ON BEHALF OF A PLAN WILL BE DEEMED TO REPRESENT, WARRANT AND ACKNOWLEDGE

THAT IT UNDERSTANDS THAT NONE OF THE ISSUER AND THE DEALERS HAS UNDERTAKEN OR WILL UNDERTAKE TO PROVIDE IMPARTIAL INVESTMENT ADVICE TO THE PLAN OR ITS FIDUCIARY, OR HAS GIVEN OR WILL GIVE ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASER OR HOLDER'S PURCHASE OR HOLDING OF THE NOTES REPRESENTED HEREBY (OR ANY INTEREST HEREIN).

(vi) if it is acquiring any Notes for the account of one or more QIBs, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and

(vii) it understands that the Issuer, the Registrars, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Notes represented by an interest in Legended Notes may be transferred (a) to a person who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification or (b) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Any interest in a Rule 144A Global Note that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note will, upon transfer, cease to be an interest in a Rule 144A Global Note and become an interest in a Regulation S Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to an interest in a Regulation S Global Note.

Prospective purchasers that are QIBs are hereby notified that sellers of the Rule 144A Registered Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

GENERAL INFORMATION

Authorization

The establishment of the Program and the issue of Notes have been duly authorized by a resolution of the Managing Board dated 1 September 1995. Increases of the size of the Program were duly authorized by resolutions of the Board dated 1 May 1997, 30 March 1998, 1 May 2001, 21 October 2005, 7 November 2005, 27 April 2010, 3 January 2011, 26 April 2013 and 15 April 2022. The most recent update of the Program and the issue of Notes was duly authorized the Managing Board on 24 April 2023. All consents, approvals, authorizations or other orders of all regulatory authorities required by NWB Bank under the laws of the Netherlands have been given for the issue of Notes and for NWB Bank to undertake and perform its obligations under the Program Agreement, the Agency Agreement and the Notes.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which NWB Bank is aware), nor have there been any such proceedings during the 12 months before the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of NWB Bank.

Significant Change

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

Listing of Notes

Application may be made for the Notes to be listed on Euronext Amsterdam, the Luxembourg Stock Exchange, Euronext Paris and Eurex Deutschland or any other stock exchange or market specified in the applicable Final Terms.

Auditor

The audited information of NWB Bank as at and for the years ended 31 December 2020, 31 December 2021 and 31 December 2022 has been audited by Ernst & Young. Ernst & Young is located at Antonio Vivaldistraat 150, 1083 HP Amsterdam, the Netherlands. The individual auditors of Ernst & Young are members of the NBA, the *Nederlandse Beroepsorganisatie van Accountants*, the Dutch accountants board. The auditor's reports in respect of the audited financial information as at and for the years ended 31 December 2020, 31 December 2021 and 31 December 2022 are incorporated herein by reference. As the Notes have not been and will not be registered under the Securities Act, Ernst & Young has not filed and will not file a consent under the Securities Act.

Documents Available

Throughout the life of the Program, copies of the following documents will, if and when published, be available, free of charge, (i) at the registered office of NWB Bank, (ii) on the website of NWB Bank at https://nwbbank.com/en/investor-relations/funding-programmes, and (iii) at the specified office of the Principal Paying Agent and the Non-U.S. Paying Agent:

(a) an English translation of NWB Bank's deed of incorporation and the most recent Articles of Association;

(b) the annual reports of NWB Bank for the three most recent financial years, which contain audited financial statements as at and for the years ended 31 December 2022, 2021 and 2020 prepared in accordance with Dutch GAAP;

(c) an English translation of the most recently available published unaudited interim financial statements and report of NWB Bank;

(d) the Agency Agreement (as defined in the Terms and Conditions of the Notes) (which contains the forms of the Temporary and Permanent Bearer Global Notes, the Definitive Bearer Notes, the Registered Global Notes, the Individual Note Certificates, the Receipts, the Coupons and the Talons);

(e) a copy of this Base Prospectus; and

(f) any future base prospectuses, offering circulars, supplementary listing particulars, information memoranda and supplements (including the Final Terms in respect of listed Notes) to this Base Prospectus and any other documents incorporated herein or therein by reference.

Clearing and Settlement Systems

The Notes have been accepted for clearing through Euroclear, Clearstream, Luxembourg, the Clearnet S.A. Amsterdam Branch Stock Clearing and DTC. The appropriate common code, ISIN, CUSIP and/or any other relevant security code will be specified in the applicable Final Terms.

Euroclear's offices are situated at 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. Clearstream, Luxembourg's offices are situated at 42 Avenue J.F. Kennedy, 1855 Luxembourg. The address of Clearnet S.A. Amsterdam Branch Stock Clearing is Vijzelstraat 79, 1017 HG Amsterdam. The address of DTC is 55 Water Street, New York, NY 10041, United States of America.

Conditions for determining price

The price and amount of Notes to be issued under the Program will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Sales in the U.S.

Certain of the Dealers are not registered with the U.S. Securities and Exchange Commission as a broker-dealer and, therefore, will not participate in the offer or sale of the Notes within the United States. To the extent that any such Dealer intends to effect any sales of the Notes in the U.S., it will do so through one or more U.S. registered broker-dealers in accordance with the applicable U.S. securities laws and regulations, and as permitted by the Financial Industry Regulatory Authority regulations.

REGISTERED OFFICE OF THE ISSUER

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NON-U.S. PAYING AGENT

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Grand Duchy of Luxembourg

PAYING AGENT

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