



**HEINEKEN N.V.**

*(incorporated with limited liability in the Netherlands)*

**€20,000,000,000**

**Euro Medium Term Note Programme**

Under this €20,000,000,000 Euro Medium Term Note Programme (the "**Programme**"), Heineken N.V. (the "**Issuer**" or "**Heineken**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below).

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*Overview of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

This Base Prospectus has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") as a base prospectus issued in compliance with Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") for the purpose of giving information with regard to the issue of Notes under the Programme during the period of twelve months from the date hereof. The CSSF is the Luxembourg competent authority for the purposes of the Prospectus Regulation and the Luxembourg Law dated 16 July 2019 relating to prospectuses for securities, as amended (the "**Prospectus Law**"). **By approving this Base Prospectus, the CSSF gives no undertaking as to the economic or financial opportuneness of any transaction or the quality and solvency of the Issuer.**

**The CSSF has only approved 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 or the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes.**

Application has been made for Notes issued under the Programme to be admitted during the period of twelve months from the date hereof to listing on the Official List of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "**MiFID II**").

Pursuant to Articles 12(1) and 21(8) of the Prospectus Regulation, this Base Prospectus will remain valid for a period of twelve (12) months from the date on which the CSSF's approval is obtained and shall expire on 8 March 2022. Consequently, the obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply once this Base Prospectus is no longer valid.

The Programme also permits Notes to be issued that will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that may be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed between the Issuer and the relevant Dealer(s).

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes will be issued in bearer form and are subject to U.S. tax law requirements. 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 under the Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

**Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed in the section "Risk Factors" below.**

Notes issued under the Programme may be rated or unrated. Where a Tranche (as defined herein) of Notes is rated, its rating will be specified in the applicable Final Terms along with confirmation of whether or not such rating will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") will appear on its website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) in accordance with the CRA Regulation. 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 credit rating agency.

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**"), the United Kingdom (the "**UK**") or anywhere else.

Interest and/or other amounts payable under the Notes may be calculated by reference to LIBOR, EURIBOR, SIBOR, SOR-VWAP or TIBOR (each as defined in the Terms and Conditions of the Notes), as specified in the applicable Final Terms, which are provided by ICE Benchmark Administration Limited ("**IBA**") (in the case of LIBOR), the European Money Markets Institute ("**EMMI**") (in the case of EURIBOR), ABS Benchmarks Administration Co Pte. Ltd. ("**ABS Co**") (in the case of SIBOR and SOR-VWAP) and Ippan Shadan Hojin JBA TIBOR Administration ("**JBATA**") (in the case of TIBOR). As at the date of this Base Prospectus, EMMI (as the administrator of EURIBOR) and ABS Co (as the administrator of SIBOR and SOR-VWAP) are included on the register of administrators and benchmarks (the "**ESMA Benchmarks Register**") established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**EU BMR**") but not the register of administrators and benchmarks (the "**UK Benchmark Register**") established and maintained by the UK Financial Conduct Authority (the "**FCA**") pursuant to Article 36 of the EU BMR as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") (the "**UK BMR**"). As at the date of this Base Prospectus, IBA (as the administrator of LIBOR) does not appear on the ESMA Benchmark Register but is included in the UK Benchmark Register. As far as the Issuer is aware, the transitional provisions in Article 51 of the EU BMR apply, such that IBA is not currently required to obtain authorisation or registration (or, if located outside the EU, recognition, endorsement or equivalence). As at the date of this Base Prospectus, JBATA (as administrator of TIBOR) does not appear on the ESMA Benchmark Register or the UK Benchmark Register. As far as the Issuer is aware, the transitional provisions in Article 51 of the EU BMR apply, such that JBATA is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence). As far as the Issuer is aware, the transitional provisions in Article 51 of the UK BMR apply, such that JBATA is not currently required to obtain authorisation or registration (or, if located

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outside the UK, recognition, endorsement or equivalence). Not every reference rate will fall within the scope of the EU BMR and/or the UK BMR. Furthermore, transitional provisions in the EU BMR and/or UK BMR may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms. The registration status of any administrator under the EU BMR and/or the UK BMR 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.

**Arranger**  
**Credit Suisse**  
**Dealers**

**ABN AMRO**  
**BNP PARIBAS**  
**Credit Suisse**  
**ING**  
8 March 2021

**Barclays**  
**Citigroup**  
**HSBC**  
**J.P. Morgan**

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## OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety 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. Heineken N.V. and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only, a new Base Prospectus will be published.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980.

Words and expressions defined in "*Terms and Conditions of the Notes*" below or elsewhere in this Base Prospectus have the same meanings in this overview.

<b>Issuer:</b>	Heineken N.V.
<b>Issuer Legal Entity Identifier (LEI):</b>	724500K5PTPSST86UQ23
<b>Risk Factors:</b>	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. In addition, there are also certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series of Notes. All of these are set out under " <i>Risk Factors</i> ".
<b>Description:</b>	EUR 20,000,000,000 Euro Medium Term Note Programme.
<b>Arranger:</b>	Credit Suisse Securities Sociedad de Valores S.A.
<b>Dealers:</b>	ABN AMRO Bank N.V. Barclays Bank Ireland PLC BNP Paribas Citigroup Global Markets Europe AG Credit Suisse Securities Sociedad de Valores S.A. HSBC Continental Europe ING Bank N.V. J.P. Morgan AG  and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes in accordance with the Dealer Agreement.
<b>Fiscal Agent, Paying Agent and Calculation Agent:</b>	BNP Paribas Securities Services, Luxembourg Branch.
<b>Distribution:</b>	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<b>Listing and Trading:</b>	Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that may be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed between the Issuer and the relevant Dealer(s).

<b>Clearing Systems:</b>	Euroclear and/or Clearstream, Luxembourg and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.
<b>Initial Programme Amount:</b>	Up to €20,000,000,000 (or its equivalent in other currencies) aggregate nominal amount of Notes outstanding at any one time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Issuance in Series:</b>	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount 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.
<b>Forms of Notes:</b>	<p>Notes will be issued in bearer form.</p> <p>Each Tranche of Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note will be deposited on or around the relevant issue date with (i) if the Global Notes are intended to be issued in new global note ("NGN") form, as stated in the relevant Final Terms, a common safekeeper for Euroclear and Clearstream, Luxembourg or (ii) if the Global Notes are not intended to be issued in NGN form, a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.</p> <p>Each Temporary Global Note will be exchangeable for, as specified in the relevant Final Terms, either a Permanent Global Note or Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.</p>
<b>Currencies:</b>	Notes may be denominated in euro, U.S. dollars, Pounds sterling, Swiss Francs, Singapore dollars or Japanese Yen or in any other currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
<b>Status of the Notes:</b>	The Notes will constitute (subject to Condition 3) unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves. The payment obligations of the Issuer under the Notes shall, save for such exceptions as may be provided by applicable legislation (and subject to Condition 3), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
<b>Issue Price:</b>	Notes may be issued at any price. The price and nominal amount of the Notes of any Tranche will be determined by the Issuer and the relevant Dealer(s) at the time of issue thereof in

accordance with then prevailing market conditions. The Issue Price will be set out in the applicable Final Terms.

**Maturities:**

Any maturity as may be agreed between the Issuer and the relevant Dealer, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the UK or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the UK, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") by the Issuer.

**Redemption:**

Notes may be redeemable at par or at such other Final Redemption Amount as may be specified in the relevant Final Terms.

**Optional Redemption:**

Notes may be redeemed before their stated maturity at the option of (i) the Issuer (either in whole or in part) at the Optional Redemption Amount (which, if Make-Whole Redemption Option is specified in the applicable Final Terms, will be at the Make-Whole Redemption Amount) if Issuer Call is specified as applicable in the relevant Final Terms; (ii) the Issuer (either in whole or in part) at the Final Redemption Amount if Issuer Maturity Call is specified as applicable in the relevant Final Terms, (iii) the Issuer (in whole but not in part) at the Early Redemption Amount if Issuer Clean-up Call is specified as applicable in the relevant Final Terms, (iv) the Issuer (either in whole or in part) at the Acquisition Call Redemption Amount if Redemption following an Acquisition Event is specified as applicable in the relevant Final Terms; and/or (v) the Noteholders at the Optional Redemption Amount if Investor Put is specified as applicable in the relevant Final Terms, in each case, to the extent (if at all) specified in the relevant Final Terms.

In addition, if Change of Control Put is specified as applicable in the relevant Final Terms, the Notes may be redeemed before their stated maturity at the option of the Noteholders in the circumstances described in Condition 6.7(b).

**Redemption following an Acquisition Event:**

If Redemption following an Acquisition Event is specified as applicable in the relevant Final Terms and an Acquisition Event has occurred, the Issuer may, on given not less than 10 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms) to Noteholders in accordance with Condition 13 and not less than 5 days before the giving of the notice to the Agent, at its option, redeem all (but not some only) of the Notes then outstanding at the Acquisition Call Redemption Amount (as specified in the relevant Final Terms), together with any interest accrued to, but excluding, the

date set for redemption.

**Tax Redemption:**

Except as described in Conditions 6.3, 6.4, 6.5 and 6.6, early redemption will only be permitted for tax reasons as described in Condition 6.2.

**Interest:**

Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate (based on the Euro Interbank Offered Rate ("**EURIBOR**"), the London Interbank Offered Rate ("**LIBOR**"), the Singapore Interbank Offered Rate ("**SIBOR**"), the Singapore Swap Offer Rate ("**SOR-VWAP**") or the Tokyo Interbank Offered Rate ("**TIBOR**"). Notes may also be Zero Coupon Notes.

The specific details of each Note issued will be specified in the applicable Final Terms.

**Denominations:**

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and save that the minimum denomination of each Note admitted to trading (i) on a regulated market within the EEA or offered to the public in any member state of the EEA in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or (ii) on a regulated market or a specific segment of a regulated market to which only qualified investors (as defined in the Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**")) have access within the UK or offered to the public pursuant to an exemption under section 86 of the FSMA, will be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

**Negative Pledge:**

The Notes will have the benefit of a negative pledge as described in Condition 3.

**Cross-Default:**

The Notes will have the benefit of a cross-default as described in Condition 9.1(c).

**Taxation:**

All payments in respect of Notes will be made free and clear of withholding taxes of the Netherlands unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 7) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

**Rating:**

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

The list of registered and certified rating agencies published by ESMA will appear on its website

([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)) in accordance with the CRA Regulation.

**Governing Law:**

Dutch law.

**Selling Restrictions:**

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the EEA, the UK, France, the Netherlands, Singapore, Japan and Switzerland, see "*Subscription and Sale*" below.

**United States Selling Restrictions:**

Regulation S, Category 2 and TEFRA C or D/TEFRA not applicable, as specified in the applicable Final Terms.



## RISK FACTORS

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

*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 materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Issuer's business, financial condition, results of operations and prospects.*

*The Issuer may face a number of these risks described below simultaneously and some risks described below may be interdependent. While the risk factors below have been divided into categories, 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.*

*The Issuer believes that all the factors described below represent the material risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons not known to the Issuer or not deemed to be material enough.*

*Other risks, events, facts or circumstances not included in this Base Prospectus, not presently known to the Issuer, or that the Issuer currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Issuer's group business, financial condition, results of operations and prospects. Prospective investors should carefully read and review the entire Base Prospectus and should form their own views before making an investment decision with respect to the Notes in light of the prospective investor's personal circumstances. 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.*

*Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes.*

### **RISK RELATING TO THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES ISSUED UNDER THE PROGRAMME.**

#### **A. RISKS RELATED TO THE ISSUER'S BUSINESS ACTIVITIES AND INDUSTRY**

##### ***Disruption in Heineken's product supply and supply chains could impact its sales and financial performance***

Disruption in the supply chain for the group of companies comprising the Issuer and its subsidiaries (the "**Heineken Group**" or the "**Group**") could lead to inability to deliver products to key customers, revenue loss, brand damage and loss of market share.

The loss or temporary discontinuity of supply chains from any of its suppliers without sufficient time to develop an alternative source could result in delays in shipments, expose Heineken to increased costs, damage to its brands and place it at a relative disadvantage to its competitors. Disruption of supply and/or discontinuity of supply chains could result from increased competition, industry consolidation, the termination of (or material change to) arrangements with suppliers, disagreements with suppliers as to payment or other terms or the failure of a supplier to meet Heineken's contractual obligations or otherwise deliver materials consistent with current usage. Factors that are hard to predict or beyond its control, like adverse weather conditions, natural disasters, earthquakes, hurricanes, flooding, fire, power loss, loss of water supply, terrorist attacks, telecommunications and IT system failures, political instability, civil strife, military conflict, the consequences of any military action and associated political instability in any of the countries where Heineken operates, generalised labour unrest or health pandemics (such as the COVID-19 pandemic), could also damage or disrupt Heineken's supply and supply chains. In particular, the supply of beer products from the Netherlands to export markets such as the United States of America is important to Heineken's business. Discontinuity of supply from the Netherlands could adversely impact its sales and financial performance in its

various export markets. Such discontinuity in Heineken's product supply and supply chains could have an adverse effect on its business, financial condition and/or results of operations.

In addition, the COVID-19 pandemic has affected consumer behaviour and market sentiment globally, with multiple countries taking far-reaching containment measures such as restrictions of movement for populations. These changes, and in particular national and local government restrictions as regards the operation of bars and restaurants and, in some instances, mandatory closures of production facilities, have further affected and may continue to affect Heineken and its product sales. Although there is significant uncertainty relating to the severity of the near-and long-term adverse impact of the COVID-19 pandemic on the global economy, financial markets and Heineken's business, a prolonged continuation of these measures and resulting consumer behaviour could be expected to have a further negative impact on Heineken's business, financial condition and/or results of operations.

***Decrease in beer consumption in favour of other beverage categories could have an adverse effect on Heineken's business, financial condition and/or results of operations***

Consumers' preferences and behaviours are evolving, shaping an increasingly complex and fragmented beer and broader beverages category. Heineken is exposed to mature markets where the attractiveness of the beer category is being challenged by down-trading and by alternative beverage categories which could result in a lower demand for beer as a result of consumption trends shifting in favour of other beverages. This requires Heineken to constantly adapt its product offering, innovate and invest to maintain the relevance and strength of its products.

Furthermore, Heineken competes against alternative beverages on the basis of factors over which Heineken has little or no control and that may result in fluctuations in demand for Heineken's products.

Such factors include variation and perceptions in health consciousness, changes in prevailing economic conditions, changes in local regulations in relation to smoking bans, changes in the demographic make-up of target consumers, changing social trends and attitudes regarding alcoholic beverages and changes in consumer preferences for beverages. In these markets, the on-trade channel (i.e. restaurants, hotels, bars and cafeterias) is also under pressure, which may exert negative pricing pressure on Heineken's products.

Failure to adapt to these evolving consumer preferences and behaviours as well as the other factors listed above would, in the longer term, affect Heineken's revenues, market share and possibly Heineken's brand equity. Any decrease in the demand for Heineken's beer in favour of alternative beverages or decreases in Heineken's product pricing margins on the basis of factors over which Heineken has little or no control could have an adverse effect on Heineken's business, financial condition and/or results of operations.

***Heineken is reliant on the reputation of its brands and the protection of its intellectual property rights***

As "Heineken" is both the name of the Group and its most valuable brand, reputation management is of utmost importance to Heineken. Heineken enjoys a positive corporate reputation and its operating companies are well respected in their countries and regions of operation. Constant management attention is directed towards enhancing Heineken's social, environmental and financial reputation. The Heineken brand, and also its other international brands (Amstel, Birra Moretti, Desperados, Sol, Strongbow and Tiger) and craft brands (like Affligem, Lagunitas and Mort Subite) are, along with its people, its most valuable assets and one of the key elements in Heineken's growth strategy. Anything that adversely affects consumer and stakeholder confidence in its brands and, in particular the Heineken brand, could have an adverse effect on its business, financial condition and/or results of operations. Also, if Heineken fails to ensure the relevance and attractiveness of its brands, in particular the Heineken brand, and the enhancement of brand marketing, this could also have an adverse effect on its business, financial condition and/or results of operations. Heineken has invested considerable effort in protecting its brands, including the registration of trademarks and domain names. If Heineken is unable to protect its intellectual property, any infringement or misappropriation could have an adverse effect on its business, financial condition and/or results of operations and/or its ability to develop its business.

***Heineken may be impacted by changes in the availability or price of raw materials, water and other input costs***

The supply and price of raw materials used to produce Heineken's products can be affected by a number of factors beyond its control, including the level of crop production around the world, export demand,

government regulations and legislation affecting agriculture, adverse weather conditions, currency fluctuations, economic factors affecting growth decisions, various plant diseases and pests. Water availability is also of utmost concern as Heineken requires access to significant water resources to continue its operations. As such, Heineken cannot predict the future availability or prices of the products and materials required for its products or guarantee that its water supply will not be subject to stoppages, scarcity or other interruptions. The markets in the relevant commodities may continue to experience price increases or suffer from disruptions in supply. Heineken uses, amongst other inputs, barley, grain, hops, glass and aluminium for producing and packaging its products. As a result, significant changes in the availability or price of raw materials, commodities, energy and water may result in a shortage of those resources or increased costs. Heineken's financial condition is exposed to fluctuations in the prices and the availability of these raw and packaging materials as well as continuity in its water supply. Other input costs, including transportation and energy, have also fluctuated heavily in recent years and remain very volatile. In addition, changes in packaging mixes continue to pressure input costs. Although Heineken generally addresses this risk by making use of flexible contracts and active hedging, volatility in input costs may have an adverse effect on its operating costs and its net profit if Heineken cannot pass on these price increases to its customers or sufficiently protect itself through its hedging strategies.

In addition, there is a trend of consolidation among suppliers, in particular suppliers of glass bottles and cans. As a result, Heineken is dependent on fewer suppliers for its supplies and as such is exposed to the risk that these suppliers cannot meet Heineken's supply needs and/or may increase the price of available supplies. Any shortage of, change in price of, or supply disruptions to, any of the raw and/or packaging materials or discontinuity to Heineken's water supply may have an adverse effect on its business, financial condition and/or results of operations.

***Heineken operates in highly competitive markets and industry consolidation in the beer and distribution sectors as well as among its customers could place Heineken at a competitive disadvantage***

Consolidation in the alcoholic beverage industry may affect existing market dynamics due to competitive disadvantage with suppliers and increased competition on commercial spend and customer acquisition strategies.

Globally, brewers compete mainly on the basis of brand image, price, customer service, distribution networks and quality. While globally the beer industry is not highly concentrated, in many of the countries in which Heineken has operations, two or three brewers account for a very large proportion of the market and smaller local brewers make up the balance. Consolidation has significantly increased the capital base and geographic reach of Heineken's competitors in some of the markets in which they operate, as well as the cost of competition, and competition is expected to increase further as the trend towards consolidation among companies in the beer industry continues.

Further consolidation in the beer sector, emergence of buying alliances and rise of e-commerce distribution channels may result in a competitive disadvantage for Heineken if Heineken is unable or unwilling to respond appropriately to such industry changes. If Heineken's competitors become larger resulting from mergers and/or acquisition activity, they may be able to obtain a better negotiation position with retailers, distributors and suppliers.

In order to maintain position and profitability, Heineken's customers are consolidating, either through acquisitions or through buying alliances.

Next to this, digital disruption is creating new routes to consumers and increasing the value and power of owning customer and consumer data. In the long run, digital disruption could lead to increased competition and a reduction in Heineken's operating margin as Heineken could have less control over the way in which it distributes its products to market.

Finally, consolidation among Heineken's customers leading to increased buying power in fewer hands may affect its ability to obtain pricing and favourable trade terms and negatively impact its operating margin. This can put pressure on Heineken's existing distribution and supply chain channels. Larger companies can also generate cost advantages with respect to advertising costs as economies of scale can be realised. These competitive disadvantages could lead to Heineken experiencing higher costs relative to the costs of its competitors and thus to relatively higher prices, which could reduce demand for its products, which, in turn, could have an adverse effect on its business, financial condition and/or results of operations.

***Heineken faces risks resulting from its joint ventures, other strategic partnerships and independent distributorships and it may be unable to influence such joint ventures and strategic partnerships***

In certain markets, Heineken has undertaken business activities with other market parties in the form of joint ventures and strategic partnerships and with independent distributors. Where Heineken does not have effective control, decisions taken by these entities may not be fully harmonised with Heineken's strategic objectives. Moreover, Heineken may not be able to identify and manage risks to the same extent as in the rest of the Heineken Group. Decisions made and actions taken within these relationships may not be optimal for Heineken's business, or may not promote its business and strategic objectives, and may therefore result in lower revenue and lower profit margins from such joint ventures, strategic partnerships and independent distributorships which, in turn, could have an adverse effect on Heineken's business, financial condition and/or results of operations.

While its joint ventures, strategic partnerships and independent distributorships are generally of a long-term nature, such alliances can usually be terminated early under certain circumstances. Termination of, or any material change to, Heineken's relationship with these third parties could adversely affect growth opportunities and have an adverse effect on its business, financial condition and/or results of operations.

**B. RISKS RELATED TO THE ISSUER'S FINANCIAL SITUATION**

***Heineken is exposed to fluctuations in exchange rates, interest rates, commodity prices***

The risk of changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices, could adversely affect Heineken's income or the value of its financial instruments. Heineken operates internationally and its reporting currency is the Euro. As a result of its international operations, fluctuations in exchange rates of foreign currencies relative to the Euro could have an adverse effect on its business, financial condition and/or results of operations. Additionally, exchange rates between the Euro and other currencies may be significantly more volatile than they have been in the past. Heineken is particularly exposed to currency fluctuations in the US Dollar, Mexican Peso, Brazilian Real, Nigerian Naira, Polish Zloty and British Pound as well as certain Asian currencies (in particular, the Vietnamese Dong). Fluctuations in these currencies relative to the Euro could have an adverse effect on Heineken's business, financial condition and/or results of operations.

There is a risk of a loss when a customer and/or counterparty defaults on its payment obligations to Heineken, like trade receivables, loans to customers and advances to customers. Such a default could cause a significant loss and such a loss could potentially adversely affect Heineken's income.

***Heineken faces defined benefit pension obligations in some of the countries in which it operates***

In some of the countries in which Heineken operates (mainly in the UK), Heineken will over time be obliged to make deficit contributions to defined benefit plans that provide pension benefits for employees upon retirement. The contractual and regulatory arrangements with these pension funds are such that in case of shortfalls, no one-off payments are required but annual cash contributions may increase going forward, thereby increasing the potential cash outflow obligation over a longer period of time which could have an adverse effect on Heineken's business, financial condition and/or results of operations. The accounting impact of pensions under IFRS on Heineken's financial results may differ materially from the cash impact.

***Heineken's future capital needs may require that it seeks debt financing, refinancing or additional equity funding, which may not be available or may be materially more expensive***

From time to time, Heineken may be required to raise additional funds for its future capital needs or to refinance its current funding through public or private financing, strategic relationships or other arrangements. There can be no assurance that the funding, if needed, will be available on attractive terms, or at all. Furthermore, any additional financing arrangements may be dilutive to shareholders, and debt financing, if available, may involve restrictive covenants. In addition, debt financing, refinancing or additional equity funding may be materially more expensive due to the lack of liquidity in the market and the general lack of confidence in the equity markets. Heineken's failure to raise capital when needed could have an adverse effect on its business, financial condition and/or results of operations.

Although the Groups works to appropriately manage its cash position by diversifying its fundraising measures and expanding its fundraising sources, there are times it may be difficult for the Group to secure

the funds required or the Group may be forced to procure funds when interest rates are significantly higher than ordinary rates in normal circumstances due to turmoil in financial markets or changes in the market environment. As a result, Heineken Group could experience difficulties in meeting payment obligations associated with its financial liabilities, like payment of financial debt or trade payables when they fall due.

### **C. ESG: ENVIRONMENT, SOCIAL and GOVERNANCE**

#### ***Uncontrollable events, poor quality or contamination of Heineken's products, be it accidental or malicious, could result in health hazards for employees and/or consumers, reputational damage, financial liabilities and product recalls***

Product recall, product liability and/or safety, health and environmental issues, including incidents and accidents in the breweries, in the supply chain, logistics and along the route-to-market, the discovery of contaminants in Heineken's beverage products, or unethical or irresponsible behaviour by Heineken or Heineken's employees could damage its reputation, brand image, sales and revenues. Any damage to Heineken's brands or reputation could have an adverse effect on its business, financial condition and/or results of operations, even if the negative publicity is factually inaccurate or unfounded.

Heineken aims to provide a safe workplace for all employees and contractors. Despite the controls in place, Heineken's employees, contractors and visitors may suffer from uncontrolled events in the brewery, supply chain, along the route-to-market or in its offices, which could lead to illness, serious injuries or fatalities. Alcohol abuse by employees is a risk for health safety and reputation.

#### ***Heineken is exposed to developing market risks such as the risks of devaluation, nationalisation and inflation***

Throughout the world, local or regional economic and political uncertainties could impact the Issuer's business and that of its customers. Heineken's operations are subject to numerous risks inherent to multinational operations.

In particular, the risk of an economic recession, change of laws and the interpretations of those laws, trade restrictions, sanctions, major health epidemics/world-wide health events, inflation, fluctuation in exchange rates, devaluation, nationalisation, financial crisis, changes in foreign currency exchange controls and foreign exchange availability, discriminatory and conflicting fiscal policies, difficulties enforcing intellectual property and contractual rights in certain jurisdictions, greater risk of uncollectable accounts and longer collection cycles, effective and immediate implementation of control environment processes across Heineken's diverse operations and imposition of more or new tariffs, quotas, trade barriers and/or similar restrictions in the various jurisdictions in which Heineken operates or social unrest could adversely affect its revenues and profits.

Furthermore, difficult economic or political circumstances may negatively impact Heineken's ability to collect amounts due from governments, including refunds of taxes.

Moreover, political and economic changes, instability or volatility, geopolitical regional conflicts, terrorist activity, crime and lack of law enforcement, political unrest, civil strife, acts of war, public and private sector corruption, exchange rate depreciation, risk of hyperinflation, nationalisation or expropriation, weak economic institutions (such as protection of rights of investors, entrepreneurs or property rights) and other economic or political uncertainties could exacerbate the aforementioned risks and interrupt and have an adverse effect on Heineken's business operations.

Changes in global political conditions have led to, and may continue to result in, extended periods of increased political and economic uncertainty. Global trade developments could lead to, among other things, the imposition or threatened imposition of trade tariffs and levies by major countries. Such changes have reduced and could lead to a further reduction in consumer and business activities within the markets in which Heineken or its customers or counterparties operate, or result in the introduction of new and/or divergent regulatory frameworks that Heineken will need to adhere to.

All of these factors could result in increased costs or decreased revenues and could have an adverse effect on Heineken's business, financial condition and/or results of operations.

***Heineken is exposed to the risks and effects of economic recession and to falls in per-capita income, which could adversely affect the demand for its products***

Heineken is exposed to the effects of a global recession and a recession in one or more of its key markets, including lower revenue and reduced income. For the beer business, recession may adversely affect demand, and therefore sales volumes and the prices that can be achieved for beer in the relevant markets. Changes in the economic environment following a global economic downturn may impact on Heineken's regular business activities and performance, in particular in the on-premise segment / on-trade channel (i.e., restaurants, hotels, bars and cafeterias). The level of beer consumption in a country is typically positively correlated to the general income level of that country. As such, lower income levels and lower customer solvency resulting from a global economic downturn may further negatively impact the demand for beer and result in lower prices, lower sales and increased credit risk, negatively impacting Heineken's business, financial condition and/or results of operations. A global economic downturn may also change consumers' behaviour due to an increase in discount brands and retailers following such economic downturn. To remain competitive, Heineken must continue to compete effectively in relation to, among other factors, pricing, quality and reliability. Any such increase in competition or changes in the competitive landscape in which Heineken operates could result in increased pricing pressures, which could, in turn, have an adverse effect on its business, financial condition and/or results of operations as well as impact its ability to maintain or increase its market share. Turbulence in financial markets may have an impact on, inter alia, the value of Heineken's investments, financial instruments including derivatives and pensions (shortfalls).

The inability of Heineken to timely respond to the introduction of new environmental legislation could lead to legal claims, increase of compliance costs, restrictions on production, packaging, distribution, selling and marketing of its products, reputation damage for Heineken, limits on Heineken's 'license to operate' in a specific jurisdiction, resulting in negative business impact.

As a multi-national company with global operations, Heineken is subject to a vast array of public and employee scrutiny. If Heineken does not conform to society's expectations in mitigating its environmental, social and corporate governance impact (including e.g. CO<sub>2</sub> emissions, water circularity, water balancing, plastic pollution, brewery waste and sufficient support of local communities) this can lead to significant reputational damage to the Heineken Group or to its individual brands which, in turn, could have an adverse effect on Heineken's business, financial condition and/or results of operations.

#### **D. LEGAL AND REGULATORY RISK**

***Regulatory changes related to alcohol could lead to a decrease in brand equity and sales of Heineken's products***

Restrictive measures on alcohol consumption and sales continue to be taken by authorities. The topic of alcohol and health is under scrutiny in many markets. This may prompt regulators to take further measures limiting Heineken's freedom to operate, such as restrictions and/or bans on advertising and marketing, sponsorships, availability of products, including health warnings on labels and increased taxes and duties or the imposition of minimum unit pricing. This could lead to lower overall consumption or consumers switching to different product categories.

Such negative publicity, restrictive measures and potential change in consumption trends could lead to a decrease in brand equity and sales of Heineken's products and affect Heineken's commercial freedom to operate and restrict the availability of its products, any of which, in turn, could have an adverse effect on Heineken's business, financial condition and/or results of operations.

***The jurisdictions in which Heineken operates may adopt regulations or changes in laws and regulations that could increase Heineken's costs and liabilities and/or limit its business activities***

Changes in the legal and regulatory environment tend to increase the risk of non-compliance with local and global laws and regulations. Failure to comply with applicable laws and regulations could lead to claims, enforcement and reputational damage for the Heineken Group. Recent health trends may lead to an increased risk of consumers making claims.

Heineken's business is regulated by the European Union and other national and local government entities. These regulations govern many parts of its operations, including brewing, bottling, branding, marketing and

advertising, transportation, distributor relationships and sales. Other regulations governing taxation, environmental impact and labour relations also affect Heineken's operations.

Various legislative authorities consider from time to time increasing taxes (including excise and other duties, tariffs and levies) on, *inter alia*, production or sale of alcoholic beverages (including beer), profits, sales, salaries, royalties, interests and/or dividends. Such tax increases are frequently performed by legislative authorities in times of slow or negative economic growth as a means to raise revenue. Tax increases are also used by legislative authorities as a means to steer consumption of alcoholic beverages.

Changes in such regulations and duties could have an adverse effect on Heineken's business, financial condition and/or results of operations. Further, there can be no assurance that Heineken will not incur material costs or liabilities in connection with its compliance with current applicable regulatory requirements or that such regulations will not interfere with, restrict or affect its businesses which, in turn, could have an adverse effect on its business, financial condition and/or results of operations.

Heineken may be subject to claims that it has not complied with laws and regulations, which could result in fines and penalties or loss of operating licences. Heineken is also routinely subject to new or modified laws and regulations with which it must comply in order to avoid claims, fines and other penalties, which could have an adverse effect on its business, financial condition and/or results of operations.

***Heineken is exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws***

Heineken is subject to antitrust and competition laws in the jurisdictions in which it operates. Consequently, Heineken may be subject to regulatory scrutiny in certain of these jurisdictions. There can be no assurance that the introduction of new competition laws in the jurisdictions in which Heineken operates, the interpretation of existing antitrust or competition laws or the enforcement of existing antitrust or competition laws, or any agreements with antitrust or competition authorities, against Heineken or its subsidiaries, will not have an adverse effect on Heineken's business, financial condition and/or results of operations.

***Heineken has exposure to litigation risk***

Companies in the alcoholic beverage industry are, from time to time, exposed to litigation relating to alcohol advertising, alcohol abuse programmes or health and societal consequences from the excessive consumption of alcohol and to litigation related to product liability issues, including the discovery of contaminants in beverage products. Further, increasing restrictions over alcoholic beverages increases the risk of non-compliance, which increases the likelihood of litigation claims. Additionally, more supervision by regulators and the growing litigation claim culture of the general public may potentially increase the impact of non-compliance and the risks of litigation, both financially and on the business reputation of the Heineken Group. Any such litigation could have an adverse effect on Heineken's business, financial condition and/or results of operations.

**E. INTERNAL CONTROL RELATED RISK**

***Heineken is reliant on its information technology to conduct its business in the different regions in which it operates***

Heineken's business increasingly relies on its information systems and information technology platforms (collectively, "IT"), both in the office environment as well as in the industrial control domain of its breweries. Failure of its IT system, cyber security incidents or a breach in the security infrastructure could lead to business disruption, loss of confidential information, breach of data privacy regulations, financial and reputational damage. The rise of the so-called "Internet of Things" (namely the interconnection between computing devices embedded in everyday objects via the internet) and the expansion of "Cloud" uptake, combined with increasing professionalism of online threat actors (such as hackers) puts information security on the map as a major corporate risk, both in terms of business continuity and of data privacy. This is also recognised by global regulations, such as the General Data Protection Regulation ("GDPR"), where mismanagement of security and data breaches has become financially punitive. Although Heineken takes preventive measures to protect and secure its information systems, its information systems may be vulnerable to different operational and security challenges including telecommunications failures, interruptions, security breaches and other types of interference. Heineken has a strict information security

policy to ensure confidentiality, integrity and availability of information and to guarantee IT control. The increased centralisation of its IT systems also allows central enforcement of security measures across its operating companies, but also magnifies the impact of any security incident. Any interruptions, failures or breach in the security infrastructure of its IT systems could have an adverse effect on its ability to compete with competitors and harm its reputation as well as disrupt its business, thereby having an adverse effect on its business, financial condition and/or results of operations.

***Heineken is dependent on the skills of its people and may fail to attract, develop and retain talented staff with the required capabilities***

Heineken relies on the skills and capabilities of its people to deliver on its strategic ambitions. If Heineken is not successful in attracting, developing and retaining diverse and talented people and leaders with the required capabilities, this may jeopardise its capacity to execute its strategy and achieve the targeted returns.

***Heineken may not be able to successfully carry out further acquisitions or to integrate acquired businesses with its existing businesses***

Historically, Heineken has grown its footprint organically and through mergers and acquisitions, leading to a diverse landscape of processes and systems and a low level of centralisation. Deviations from the common accounting and reporting processes and related controls could impair the accuracy of the financial and non-financial data used for reporting and external communication

When considering an acquisition, Heineken makes certain estimates as to economic, market and other conditions, including estimates relating to the value or potential value of the business to be acquired and the potential return on investment. Such estimates may prove to be incorrect, rendering its acquisition unsuccessful which could have an adverse effect on its business, financial condition and/or results of operations. In any acquisition, Heineken is faced with different cultures, business principles and political, economic and social environments. This may affect corporate values, image and quality standards. It may also impact the realisation of long-term business plans, including synergy objectives, underlying the value of newly acquired companies. Such business integration issues could have an adverse effect on Heineken's business, financial condition, accuracy of financial and non-financial reporting and/or results of operations.

***Heineken's business transformation programmes could temporarily reduce its operational effectiveness***

In recent years, Heineken has engaged in several significant business transformation programmes. The large number of operating companies and Heineken's fragmented data and technology landscape represent a specific challenge to these programmes. These strategic transformation programmes may not deliver the expected benefits or may incur significant cost or time overruns, which could have an adverse effect on Heineken's business, financial condition and/or results of operations as well as its brand reputation.

**FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME**

**A. RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES**

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

***Regulation and reform of benchmarks, including LIBOR, EURIBOR and other interest rates and other types of benchmarks***

The London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reform. The implementation of the anticipated reforms may result in changes to a benchmark's administration, causing it to perform differently than in the past, or to be eliminated entirely, or resulting in other consequences which cannot be predicted as at the date of this Base Prospectus. Any such consequence could have an adverse effect on any Notes linked to such a "benchmark" (including, for



example, Floating Rate Notes whose interest rate is linked to LIBOR or EURIBOR or any other Reference Rate specified in the applicable Final Terms).

The EU BMR applies, subject to certain transitional provisions. The EU BMR could have a material impact on any Notes linked to LIBOR, EURIBOR or another "benchmark" rate or index, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the terms of the EU BMR, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. In addition, the EU BMR stipulates that each administrator of a "benchmark" regulated thereunder must be licensed by the competent authority of the Member State where such administrator is located. There is a risk that administrators of certain "benchmarks" will fail to obtain a necessary licence, preventing them from continuing to provide such "benchmarks". Other administrators may cease to administer certain "benchmarks" because of the additional costs of compliance with the EU BMR and other applicable regulations, and the risks associated therewith. The UK BMR, among other things, applies to the provision of benchmarks, including LIBOR, and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The FCA has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Furthermore, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average ("**SONIA**") over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

There are separate on-going workstreams to determine a euro risk free-rate as an alternative to EURIBOR. On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate ("**€STR**") as the new risk free rate. €STR has been published by the ECB since October 2019. Meanwhile, EURIBOR underwent a methodological reform in 2019 to make it compliant with the regulatory requirements outlined in the EU BMR. It is now determined using a hybrid methodology rather than a purely quote-based method. Following a testing phase and public consultations, the hybrid methodology became applicable at the end of 2019, and EMMI has received authorisation from the competent authority, meaning that the benchmark can continue to be used for new and legacy contracts after 3 January 2022. Nevertheless, the long-term sustainability of EURIBOR depends on factors such as the continued willingness of the panel of contributing banks to support it, the support of the regulator and the administrator and/or whether or not there is sufficient activity in its underlying market.

The elimination of the LIBOR, EURIBOR or any other benchmark could require an adjustment to the Terms and Conditions, as further detailed in Condition 4.4 (*Benchmark Discontinuation*), or result in other consequences, in respect of any Notes linked to LIBOR, EURIBOR or any other benchmark. Any such consequences could have a material adverse effect on the value and return on any such Notes.

Investors should be aware that if LIBOR, EURIBOR or any other benchmark were discontinued or to be otherwise unavailable, the rate of interest on Floating Rate Notes which reference LIBOR, EURIBOR or such other benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes. Depending on the manner in which the LIBOR or EURIBOR (or such other benchmark) benchmark is to be determined under the Terms and Conditions, this may in certain circumstances (i) be reliant upon the provision by reference banks of offered quotations for the LIBOR or EURIBOR (or such other benchmark) benchmark 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 LIBOR or EURIBOR (or such other benchmark) was available (see Condition 4.4 (*Benchmark Discontinuation*) of the Terms and Conditions for further details). Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference LIBOR or EURIBOR (or such other benchmark).

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the disappearance of certain benchmarks. Uncertainty about the future of benchmarks, any of the above changes or any other

consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have an adverse effect on the value of, and return on, any Notes linked to a benchmark and the trading market for such Notes.

***If the Issuer has the right to redeem any Notes at its option (which right may be subject to certain conditions precedent), this may generally limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds (if any) in a manner which achieves a similar effective return***

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such 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.

The Issuer 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.

In addition, in the case of Notes where Issuer Call is specified as being applicable in the Final Terms, redemption of such Notes may, at the Issuer's discretion, be subject to one or more conditions precedent, in which case the notice of redemption shall state the applicable condition(s) precedent and that, in the Issuer's discretion, the Optional Redemption Date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date, or by the Optional Redemption Date so delayed. Such feature, which makes an announced redemption uncertain, may further limit the market value of the Notes.

***If the Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned***

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates.

***Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates***

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

## **B. RISKS RELATED TO CERTAIN TERMS AND FEATURES OF THE NOTES**

Set out below is a brief description of certain risks relating to the Notes generally:

***The Terms and Conditions of the Notes contain provisions which may permit their modification and which permit the Issuer to agree to the substitution of another company as principal debtor under any Notes in place of the Issuer, in each case without the consent of all investors and without regard to the individual interests of particular Noteholders***

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally, or otherwise to pass resolutions in writing. 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.

The Terms and Conditions of the Notes also provide that the Agent may, without the consent of Noteholders being required and without regard to the interests of particular Noteholders agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes.

The Terms and Conditions of the Notes also provide that the Issuer may, without the consent of the Noteholders and without regard of the interest of the Noteholders, agree to substitution of another company as principal debtor under any Notes in place of the Issuer in the circumstances described in Condition 15 of the Terms and Conditions of the Notes.

***While the Notes are in global form and held within the clearing systems, investors will have to rely on the procedures and operations of Euroclear and Clearstream, Luxembourg (or any alternative clearing system) in order to receive payments and take certain other actions in respect of the Notes***

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common depositary or common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") (or an alternative clearing system). Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each relevant clearing system and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments to the common depositary or the common safekeeper, as applicable, for the relevant clearing systems for distribution to the relevant account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

#### ***Withholding taxes***

The Notes may, in certain very specific cases (described in more detail in "*TAXATION - NETHERLANDS TAXATION - Withholding Tax*"), be subject to withholding taxes in circumstances where the Issuer is not obliged to make gross up payments and this would result in holders receiving less interest than expected and could significantly adversely affect their return on the Notes.

***Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if Definitive Notes are subsequently required to be issued***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination (such as €100,000) plus one or more higher integral multiples of another smaller amount (such as €1,000), it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of the Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts,

holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Note (as defined under "Forms of the Notes" below) in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***The value of the Notes could be adversely affected by a change in Dutch law or administrative practice***

The Terms and Conditions of the Notes are based on Dutch law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to Dutch law or administrative practice after the date of issue of the relevant Notes and any such change could materially adversely impact the value of any Notes affected by it.

### **C. RISKS RELATED TO THE MARKET**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk (including in relation to "benchmark" indices) and credit risk:

***An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes***

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, which could result in increased price volatility for the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. 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 generally would have a more limited secondary market and more price volatility than conventional debt securities. In addition, the market price of any Notes may be affected by a range of factors, including (without limitation) any deterioration or perceived deterioration in the credit standing of the Issuer (including in the event of changes in any ratings assigned to the Issuer or the Notes by a credit rating agency), movements in currency exchange rates and other macro-economic factors. Illiquidity may have a severely adverse effect on the market value of Notes.

***If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes***

The Issuer will pay principal and interest on the Notes in 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 significantly change (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 that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***The value of Fixed Rate Notes may be adversely affected by movements in market interest rates***

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will 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.

***The value of future payments of interest and principal may be reduced as a result of inflation particularly in the context of the current low interest rate environment and expectations that inflation may rise in the future as a consequence of quantitative easing and expansionary monetary policy***

The value of future payments of interest and principal may be reduced as a result of inflation as the real rate of interest on an investment in the Notes will be reduced if inflation rates increase (which is increasingly more likely given the magnitude of quantitative easing and expansionary monetary policy of various major central banks) and may even be negative if the inflation rate rises above the nominal rate of interest on the Notes (which is also more likely given historically low interest rates). In this scenario, the value of the Notes will be adversely affected as comparative investments which provide a real rate of interest in excess of the real rate of interest earned on the Notes will be more attractive.

***Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes and may be subject to change***

One or more independent credit rating agencies may assign credit ratings to the Issuer and/or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Issuer or the ratings assigned to Notes already issued under the Programme. A credit 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. Any such suspension, reduction or withdrawal could adversely affect the market value of the relevant Notes.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with 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 agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency 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 CRA Regulation as it forms part of domestic law by virtue of the EUWA (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 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; subject, in each case, to (i) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (ii) 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 that the relevant conditions are satisfied. If the status of rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EU or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market.

Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms.

## IMPORTANT NOTICES

This Base Prospectus constitutes a base prospectus for the purposes of Article 8 of the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and this Base Prospectus makes no omission likely to affect the import of such information.

Each Tranche of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed by a document specific to such Tranche called final terms (the "**Final Terms**"). This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein (see "*Information Incorporated by Reference*") and, in relation to any Tranche of Notes, must be read and construed together with the relevant Final Terms.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer in connection with the Programme or any Notes and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Agent or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently 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 thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme 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 distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to any Notes, see "*Subscription and Sale*". In particular, 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. The Notes will be issued in bearer form and are subject to U.S. tax law requirements. 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 and by the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") and by U.S. Treasury regulations promulgated thereunder) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer or the Dealers that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The maximum aggregate nominal amount of Notes outstanding at any one time under the Programme will not exceed €20,000,000,000 (and, for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement (as defined under "*Subscription and Sale*))). The maximum aggregate nominal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.

In this Base Prospectus, references to websites or uniform resource locators (URLs) are inactive textual references and are included for information purposes only. The information on the website does not form part of this Base Prospectus unless that information is incorporated by reference into this Base Prospectus.

This Base Prospectus contains information sourced from third parties, where indicated with references to third party sources herein. 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 such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

#### **IMPORTANT – EEA RETAIL INVESTORS**

If the Final Terms in respect of any Tranche of Notes includes a legend entitled "Prohibition of Sales to EEA", 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 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 (EU) 2016/97 (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 (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**

If the Final Terms in respect of any Notes includes a legend entitled "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 UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

#### **MIFID II PRODUCT GOVERNANCE / TARGET MARKET**

The Final Terms in respect of any Tranche of 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 at the time of each issue whether, for the purposes of the MiFID II Product Governance rules under Commission Delegated Directive (EU) 2017/593 (the "**MiFID II 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 MiFID II Product Governance Rules. For the avoidance of doubt, the Issuer is not subject to the MiFID II Product Governance Rules and will not make or be responsible for any target market assessment.

#### **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.

#### **PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)**

The applicable Final Terms in respect of any Notes may include a legend entitled "Notification under section 309B(1) of the Securities and Futures Act (Chapter 289) of Singapore" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act (Chapter 289 of Singapore) (the **"SFA"**). The Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the applicable Final Terms will constitute notice to "relevant persons" for purposes of section 309B(1)(c) of the SFA.

#### **CERTAIN DEFINED TERMS**

In this Base Prospectus, unless otherwise specified, references to a **"Member State"** are references to a Member State of the EEA; references to **"€"**, **"EUR"** and **"euro"** are to the single 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; references to **"U.S. dollars"**, **"U.S.\$"** and **"USD"** are to the lawful currency of the United States of America; references to **"£"** and **"Pounds sterling"** are to the lawful currency of the UK; references to **"CHF"** and **"Swiss Francs"** are to the lawful currency of Switzerland; references to **"SGD"** and **"Singapore dollars"** are to the lawful currency of Singapore; and references to **"JPY"** and **"Japanese Yen"** are to the lawful currency of Japan.

#### **ALTERNATIVE PERFORMANCE MEASURES**

Certain alternative performance measures (as defined in the ESMA Guidelines on Alternative Performance Measures) (**"Alternative Performance Measures"** or **"APMs"**) are included in this Base Prospectus. See *"Glossary"* below for more information.

#### **STABILISATION**

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation 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 stabilisation action or over-allotment must be conducted by the Stabilising Manager(s) (or persons acting on behalf of the Stabilising Manager(s)) in accordance with all applicable laws and rules.**



## **SUITABILITY OF INVESTMENT**

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 consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes where the currency for principal or interest payments is different from the currency in which such investor's financial activities are principally denominated;
- (iv) understands thoroughly the terms of the relevant Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

## **LEGAL INVESTMENT CONSIDERATIONS**

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 advisers 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 advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

## INFORMATION INCORPORATED BY REFERENCE

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

- (a) the audited annual consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the EU, including the information set out at the following pages of the Issuer's 2020 Annual Report: <https://www.theheinekencompany.com/sites/theheinekencompany/files/Investors/financial-information/results-reports-presentations/heineken-nv-annual-report-2020.pdf>;

	<b>2020</b>
Consolidated Income Statement.....	page 67
Consolidated Statement of Comprehensive Income.....	page 67
Consolidated Statement of Financial Position.....	page 68
Consolidated Statement of Cash Flows.....	pages 69
Consolidated Statement of Changes in Equity.....	pages 70
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- (b) the audited annual consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2019, prepared in accordance with IFRS as endorsed by the EU, including the information set out at the following pages of the Issuer's 2019 Annual Report: <https://www.theheinekencompany.com/sites/theheinekencompany/files/Investors/financial-information/results-reports-presentations/heineken-nv-hnv-2019-annual-report.pdf>;

	<b>2019</b>
Consolidated Income Statement.....	page 64
Consolidated Statement of Comprehensive Income.....	page 64
Consolidated Statement of Financial Position.....	page 65
Consolidated Statement of Cash Flows.....	pages 66
Consolidated Statement of Changes in Equity.....	pages 67
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Independent Auditor's Report on the audit of the Financial Statements 2018 of Heineken N.V.....	pages 159-164

- (c) the section "*Terms and Conditions of the Notes*" from the following base prospectuses relating to the Programme:

- (i) Base Prospectus dated 7 March 2012 (pages 27-57 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2012.pdf>;
- (ii) Base Prospectus dated 7 March 2013 (pages 44-72 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2013.pdf>

- (iii) Base Prospectus dated 7 March 2014 (pages 45-75 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2014.pdf>;
  - (iv) Base Prospectus dated 12 March 2015 (pages 45-75 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2015.pdf>;
  - (v) Base Prospectus dated 8 March 2016 (pages 44-74 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2016.pdf>;
  - (vi) Base Prospectus dated 3 March 2017 (pages 44-73 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2017.pdf>;
  - (vii) Base Prospectus dated 12 March 2018 (pages 26-55 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2018.pdf>;
  - (viii) Base Prospectus dated 12 March 2019 (pages 26-56 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2019.pdf>;
  - (ix) Base Prospectus dated 12 March 2020 (pages 31-65 inclusive), <https://www.theheinekencompany.com/sites/theheinekencompany/files/Downloads/PDF/investors/bondholder-information/bonds/heineken-emtn-base-prospectus-2020.pdf>; and
- (d) the press release published by the Issuer on 10 February 2021 entitled "*Heineken N.V. reports 2020 full year results and shares updates on "EverGreen" strategic review*": <https://www.globenewswire.com/news-release/2021/02/10/2172786/0/en/Heineken-N-V-reports-2020-full-year-results-and-shares-updates-on-EverGreen-strategic-review.html>.

Any information contained in any of the documents specified in paragraph (a), (b), (c) and (d) above, which is not listed in the cross reference list above and as such is not incorporated by reference in this Base Prospectus, is either not relevant to investors or is covered elsewhere in this Base Prospectus.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus are available from the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and, upon request, free of charge, from the registered office of the Issuer and the specified offices of the Paying Agent for the time being in Luxembourg.

## FORM OF THE NOTES

Each Tranche of Notes will initially be in the form of either a temporary global Note in bearer form (a "**Temporary Global Note**"), without interest coupons, or a permanent global Note in bearer form (a "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") will:

- (i) if the Global Notes are intended to be issued in new global note ("**NGN**") form, as stated in the relevant Final Terms, be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg; and
- (ii) if the Global Notes are not intended to be issued in NGN form, be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Where the Global Notes issued in respect of any Tranche are in NGN form, the relevant Final Terms will also indicate whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### ***Temporary Global Note exchangeable for Permanent Global Note***

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date (the "**Exchange Date**") of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments due on or after the Exchange Date will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the nominal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Agent at its specified office; and
- (ii) receipt by the Agent of a certificate or certificates of non-U.S. beneficial ownership.

The nominal amount of the Permanent Global Note shall be equal to the aggregate of the nominal amounts specified in the certificates of non-U.S. beneficial ownership; provided, however, that in no circumstances shall the nominal amount of the Permanent Global Note exceed the initial nominal amount of the Temporary Global Note.

The Permanent Global Note will be exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**"):

- (i) if so specified in the relevant Final Terms, at the option of the Issuer (exercisable at any time) or at the request of the bearer, on the expiry of such period of notice as may be specified in the relevant Final Terms; or

- (ii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then (a) if both Euroclear and Clearstream, Luxembourg and any other relevant clearing system are closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system chosen by the Issuer and notified to the Agent is available, or (b) if any of the circumstances described in Condition 9 as an Event of Default occurs and is continuing, or (c) at the option of the Issuer, if the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes not in global form.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate nominal amount equal to the nominal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Agent, in the case of (i) above, on and after the expiry of the relevant notice period and, in the case of (ii) above, within 30 days of the bearer requesting exchange following the occurrence of an event described in (ii)(a) or (b) and 30 days after notice is given by the Issuer, in the case of (ii)(c).

The exchange at the option of the Issuer/at the request of the bearer option referred to in (i) above should not be expressed to be applicable if the Specified Denomination of the Notes comprises a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount.

#### ***Temporary Global Note exchangeable for Definitive Notes***

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date (the "**Exchange Date**") of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments due on or after the Exchange Date will be made under the Temporary Global Note unless exchange for Definitive Notes is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate nominal amount equal to the nominal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the presentation and, in the case of final exchange, surrender of the Temporary Global Note to or to the order of the Agent.

In relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes, such Notes should not be issued in denominations comprising a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount.

#### ***Permanent Global Note exchangeable for Definitive Notes***

If the relevant Final Terms specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules nor the TEFRA D Rules are applicable and specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) if so specified in the relevant Final Terms, at the option of the Issuer (exercisable at any time) or at the request of the bearer, on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then (a) if both Euroclear and Clearstream, Luxembourg and any other relevant clearing system are closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system chosen by the Issuer and notified to the Agent is available, or (b) if any of the circumstances described in Condition 9 as an Event of Default occurs

and is continuing, or (c) at the option of the Issuer, if the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes not in global form.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate nominal amount equal to the nominal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Agent, in the case of (i) above, on and after the expiry of the relevant notice period and, in the case of (ii) above, within 30 days of the bearer requesting exchange following the occurrence of an event described in (ii)(a) or (b) and 30 days after notice is given by the Issuer, in the case of (ii)(c).

#### ***Legend concerning United States persons***

In the case of any Tranche of Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"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."

#### ***NGNs***

In respect of Notes represented by a Global Note issued in NGN form, the nominal amount of such Notes shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (the "**ICSDs**"). The records of the ICSDs shall be conclusive evidence of the nominal amount of such Notes and a statement issued by Euroclear and/or Clearstream, Luxembourg shall be conclusive evidence of the records of such parties at that time.

The Issuer has entered into an agreement with the ICSDs in respect of any Notes issued in NGN form that the Issuer may request be made eligible for settlement with the ICSDs (the "**Issuer-ICSDs Agreement**"). The Issuer-ICSDs Agreement provides that the ICSDs will, in respect of any such Notes, *inter alia*, maintain records of their respective portion of the issued outstanding amount and will, upon the Issuer's request, produce a statement for the Issuer's use showing the total nominal amount of its customer holding of such Notes as of a specified date.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each Definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and Definitive Note.*

This Note is one of a Series (as defined below) of Notes issued by Heineken N.V. (the "**Issuer**") issued pursuant to an Agency Agreement (as defined below).

References herein to the "Notes" shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note; and
- (c) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of a Fiscal Agency Agreement dated 8 March 2021 (such Fiscal Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") and made between the Issuer, and BNP Paribas Securities Services, Luxembourg Branch as fiscal agent, paying agent and calculation agent (the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest-bearing definitive Notes have interest coupons ("**Coupons**") and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, 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. Global Notes do not have Coupons or Talons attached on issue. Any reference herein to "**Noteholders**" shall mean the holders of the Notes, and shall in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of Coupons, and shall, unless the context otherwise requires, include the holders of Talons.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the "**Conditions**"). References to the "**applicable Final Terms**" are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the specified office of the Paying Agent. Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer and of the Agent and copies may be obtained from those offices save that, with respect to the European Economic Area ("**EEA**"), if this Note is neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of such Notes and identity. Furthermore, with respect to the United Kingdom ("**UK**"), if this Note is neither admitted to trading on a regulated market in the UK nor offered in the UK in circumstances where a prospectus is required to be published under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**"), the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence

satisfactory to the Issuer and the Paying Agent as to its holding of such Notes and identity. The Noteholders 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 applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

## 1. **FORM, DENOMINATION AND TITLE**

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the "**Specified Currency**") and in the denomination(s) (the "**Specified Denomination(s)**") specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

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

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer and the Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon 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 and shall not be liable for so treating such bearer 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 Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**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 nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such 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 the Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of such nominal amount 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. In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Paying Agent may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References herein to 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 or as may otherwise be approved by the Issuer and the Agent.

## 2. **STATUS OF THE NOTES**

The Notes and any relative Coupons constitute (subject to Condition 3) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and any relative Coupons shall, save for such exceptions as may be provided by applicable legislation (and subject to Condition 3), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.



### 3. **NEGATIVE PLEDGE**

So long as any Note or Coupon remains outstanding (as defined in the Agency Agreement):

- (a) the Issuer will not create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt or any guarantee of or indemnity in respect of any Relevant Debt; and
- (b) the Issuer will procure that no Subsidiary of the Issuer will create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt or any guarantee of or indemnity in respect of any Relevant Debt,

unless, at the same time or prior thereto, the Issuer's obligations under the Notes and any relative Coupons, (aa) are secured equally and rateably therewith, or (bb) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

For the purposes of these Conditions:

**"Excluded Subsidiary"** means any Subsidiary of the Issuer:

- (i) which has been established solely to conduct the business of and any ancillary activities relating to securitisation or such similar financing of assets held by it; and
- (ii) none of whose liabilities in respect of such financing are the subject of a Security Interest created or permitted to subsist by the Issuer or any other Subsidiary of the Issuer.

**"Permitted Security Interest"** means:

- (i) any Security Interest over or affecting the whole or part of the present or future business, undertaking, assets or revenues (including any uncalled capital) of any entity which becomes a Subsidiary of the Issuer after the date on which agreement is reached to issue the first Tranche of the Notes, where such Security Interest was created prior to the date on which such an entity becomes a Subsidiary of the Issuer, but only if (A) such Security Interest was not created in contemplation of such entity becoming a Subsidiary of the Issuer and (B) the amount thereby secured has not been increased in contemplation of, or since the date of, such entity becoming a Subsidiary of the Issuer;
- (ii) any Security Interest (the **"Replacement Security Interest"**) created in whole or in part to replace or renew or in substitution for any Security Interest created by a company referred to in (i) of this paragraph (the **"Old Security Interest"**) upon a refinancing or similar transaction where the Replacement Security Interest is created in respect of the same business, undertaking, assets or revenues as the Old Security Interest and where the amount secured by the Replacement Security Interest is equal to or less than the amount secured by the Old Security Interest; and
- (iii) any Security Interest created by an Excluded Subsidiary over its assets to secure any Relevant Debt of that Excluded Subsidiary, provided that the aggregate amount of all such Relevant Debt so secured and outstanding from time to time does not exceed €1,000,000,000 or its equivalent in any other currency.

**"Relevant Debt"** means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange or other securities market.

**"Security Interest"** means any mortgage, charge, pledge, lien or other form of encumbrance or security interest.

**"Subsidiary"** means an entity in which a person:

- (i) holds beneficially (directly or indirectly) more than 50 per cent. of the issued share capital (or similar rights of ownership); or
- (ii) holds beneficially (directly or indirectly) the right to control the composition of the majority of its board of directors (or equivalent body) or controls the majority of the voting rights, in each case, whether through the ownership of voting capital or by contract.

For the avoidance of doubt, a person will not have "control" as specified in paragraph (ii) above where that person has joint control.

#### 4. INTEREST

##### 4.1 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 Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity 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. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the 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.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

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 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 4.1:

- (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 (I) the number of days in such Determination Period and (II) the number of 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 Determination Dates 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 Determination Dates that would occur in one calendar year; and
- (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 a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

**"Determination Period"** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**"sub-unit"** means, 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, one cent.

## 4.2 Interest on Floating Rate Notes

### (a) Interest Payment Dates

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) 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 such date, together with each Specified Interest Payment Date, an **"Interest Payment Date"**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms 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 the 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 a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in 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 Periods are specified in accordance with Condition 4.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified 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; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, "**Business Day**" means a day which is both:

- (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 London and each Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) 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 (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is open.

(b) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(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 Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating 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 "**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**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the 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 where the Reference Rate is not specified as being SIBOR or SOR-VWAP

Where Screen Rate 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, subject as provided below, be either:

- (A) the offered quotation; 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 specified in the applicable Final Terms which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more of 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 Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of Condition 4.2(b)(ii)(A) above, no such offered quotation appears or, in the case of Condition 4.2(b)(ii)(B) above, fewer than three such offered quotations appear, in each case as at the Relevant Time, the Agent or any other international credit institution or financial services institution appointed by the Issuer shall request the principal London office of each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the 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 Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London interbank market (if the Reference Rate is LIBOR) or the Euro-zone interbank market (if the Reference Rate is EURIBOR) or the interbank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the London interbank market (if the Reference Rate is LIBOR) or the Euro-zone interbank market (if the Reference Rate is EURIBOR) or the interbank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

- (iii) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SIBOR or SOR-VWAP

Each Floating Rate Note where the Reference Rate is specified in the applicable Final Terms as being SIBOR (in which case such Note will be, a "**SIBOR Note**") bears interest at a floating rate determined by reference to the Singapore interbank offered rate ("**SIBOR**") and each Floating Rate Note where the Reference Rate is specified in the applicable Final Terms as being SOR-VWAP (in which case such Note will be, a "**Swap Rate Note**") bears interest at a

floating rate determined by reference to SOR-VWAP. Such Floating Rate Notes may be adjusted by adding or subtracting the Margin (if any) specified in the applicable Final Terms.

The Rate of Interest payable from time to time in respect of each Floating Rate Note under this Condition 4.2(b)(iii) will be determined by the Agent on the basis of the following provisions:

- (A) In the case of Floating Rate Notes which are SIBOR Notes:
- (a) the Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Relevant Screen Page at or about the Relevant Time on such Interest Determination Date and as adjusted by the Margin (if any);
  - (b) if on any Interest Determination Date, no such rate appears on the Relevant Screen Page or if the Relevant Screen Page is unavailable for any reason, the Agent will request the principal Singapore office of each of the Reference Banks to provide the Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on the first day of such Interest Period in an amount comparable to the aggregate principal amount of the Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of such offered quotations and as adjusted by the Margin (if any), as determined by the Agent;
  - (c) if on any Interest Determination Date, two but not all the Reference Banks provide the Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with paragraph (b) of this Condition 4.2(b)(iii)(A) on the basis of the quotations of those Reference Banks providing such quotations; and
  - (d) if on any Interest Determination Date, one only or none of the Reference Banks provides the Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the rates quoted by major banks in Singapore, selected by the Agent, at approximately the Relevant Time on the first day of such Interest Period for loans in Singapore dollars to leading banks in Singapore for a period equivalent to the duration of such Interest Period commencing on the first day of such Interest Period in an amount comparable to the aggregate principal amount of the Notes and as adjusted by the Margin (if any).
- (B) In the case of Floating Rate Notes which are Swap Rate Notes:
- (a) the Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the synthetic rate for deposits in Singapore dollars ("**SOR-VWAP**") for a period equal to the duration of such Interest Period which appears on the Relevant Screen Page at or about the Relevant Time on such Interest Determination Date and as adjusted by the Margin (if any);
  - (b) if on any Interest Determination Date, no such rate appears on the Relevant Screen Page or if the Relevant Screen Page is unavailable for any reason, SOR-VWAP will be any substitute rate announced by ABS Benchmarks Administration Co Pte. Ltd. (or its successor as administrator or sponsor of that rate) (the "**Administrator**") or, if the Administrator does not announce such rate by 9.00 p.m. (Singapore time) on such Interest Determination Date, the Agent will determine SOR-VWAP (which shall be rounded up, if necessary, to the

nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

$$\left\{ \left[ \left( \frac{\text{Spot Rate} + \text{Forward Points}}{\text{Spot Rate}} \right) \times \left( 1 + \frac{\text{USD Rate} \times \# \text{ days}}{360} \right) \right] - 1 \right\} \times \frac{365}{\# \text{ days}} \times 100$$

where:

- "Spot Rate"** = the average of the bid and offered exchange rates for the sale of Singapore dollars against United States dollars for settlement on a spot basis obtained by the Agent from Reference Banks, as of 4:30 p.m. (Singapore time) on the relevant Interest Determination Date or as close to such time as is reasonably practicable. If at least three quotations are provided, the Spot Rate for such Interest Period will be the arithmetic mean of the quotations, without regard to the quotations with the highest and lowest values. For this purpose, if more than one quotation has the same highest or lowest value, then one such quotation shall be disregarded. If exactly two quotations are provided, the Spot Rate for such Interest Period will be the arithmetic mean of the quotations.
- "Forward Points"** = the mid-market of the FX forward points for the forward sale of Singapore dollars against United States dollars for settlement on the last day of a period equivalent to the relevant Interest Period and commencing on the first day of such Interest Period as determined by the Agent on the basis of mid-market indicative quotations obtained by the Agent from the Reference Banks, as of 4:30 p.m. (Singapore time), on the relevant Interest Determination Date or as close to such time as is reasonably practicable. If at least three quotations are provided, the Forward Points for such Interest Period will be the arithmetic mean of the quotations, without regard to the quotations with the highest and lowest values. For this purpose, if more than one quotation has the same highest or lowest value, then one such quotation shall be disregarded. If exactly two quotations are provided, the Forward Points for such Interest Period will be the arithmetic mean of the quotations.
- "# days"** = the number of calendar days in the Interest Period in respect of which the calculation is being made.
- "USD Rate"** = the rate for deposits in United States dollars for a period of equal duration to the relevant Interest Period which appears on the Reuters Screen LIBOR01 Page as of the Relevant Time on the relevant Interest Determination Date. If such rate does not appear on the Reuters Screen LIBOR01 Page, the USD Rate for that Interest Period will be determined on the basis of the rates at which deposits in United States dollars are offered by the Reference Banks at approximately the Relevant Time

on the relevant Interest Determination Date to prime banks in the London interbank market for a period of equal duration to the relevant Interest Period commencing on the first day of such Interest Period in an amount comparable to the aggregate principal amount of the Notes. The Agent will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the USD Rate for that Interest Period will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the USD Rate for that Interest Period will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Agent, at approximately 11:00 a.m. (New York City time) on the first day of such Interest Period for loans in United States dollars to leading European banks for a period of equal duration to the relevant Interest Period commencing on the first day of such Interest Period in an amount comparable to the aggregate principal amount of the Notes. For the purposes of this definition of USD Rate, "Reference Banks" shall mean the principal London office of four major banks in the London interbank market, in each case selected by the Agent.

The Rate of Interest for such Interest Period shall be SOR-VWAP (as determined by the Agent) and as adjusted by the Margin (if any).

(iv) Definitions

For the purposes of these Conditions:

**"Interest Determination Date"** shall mean the date specified as such in the Final Terms or if none is so specified:

- (i) if the Reference Rate is the London interbank offered rate ("**LIBOR**") (other than Sterling or Euro LIBOR), the second London business day prior to the start of each Interest Period;
- (ii) if the Reference Rate is Sterling LIBOR, the first day of each Interest Period;
- (iii) if the Reference Rate is Euro LIBOR or the Euro-zone interbank offered rate ("**EURIBOR**"), the second day on which the TARGET2 System is open prior to the start of each Interest Period;
- (iv) if the Reference Rate is SIBOR (other than USD SIBOR, which has with effect from 31 December 2013 been replaced by USD LIBOR), two Singapore Banking Days prior to the start of each Interest Period (for these purposes, "**Singapore Banking Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore);
- (v) if the Reference Rate is SOR-VWAP or USD SIBOR (which has with effect from 31 December 2013 been replaced by USD LIBOR), two Singapore and London Banking Days prior to the start of each Interest Period (for these purposes, "**Singapore and London Banking Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore and London); or
- (vi) if the Reference Rate is the Tokyo interbank offered rate ("**TIBOR**"), the second Tokyo business day prior to the start of each Interest Period.



**"Margin"** shall have the meaning specified in the applicable Final Terms.

**"Reference Banks"** shall mean:

- (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London interbank market;
- (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market;
- (iii) in the case of a determination of SIBOR or SOR-VWAP, the principal Singapore office of four major banks in the Singapore interbank market;
- (iv) in the case of a determination of TIBOR, the principal Tokyo office of ten major banks in the Tokyo interbank market; and
- (v) in the case of any other Reference Rate, the principal office in the Relevant Financial Centre of four major banks in the interbank market of the Relevant Financial Centre,

in each case selected by the Agent.

**"Reference Rate"** shall mean (i) LIBOR, (ii) EURIBOR, (iii) SIBOR, (iv) SOR-VWAP, or (v) TIBOR, in each case for the relevant currency and for the relevant period, as specified in the applicable Final Terms.

**"Relevant Financial Centre"** shall mean (i) London, in the case of a determination of LIBOR or SOR-VWAP or USD SIBOR, (ii) Brussels, in the case of a determination of EURIBOR, (iii) Singapore, in the case of a determination of SIBOR (other than USD SIBOR), or (iv) Tokyo, in the case of a determination of TIBOR, as specified in the applicable Final Terms.

**"Relevant Screen Page"** shall mean such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

**"Relevant Time"** shall mean (i) in the case of LIBOR, 11.00 a.m., (ii) in the case of EURIBOR, 11.00 a.m., (iii) in the case of SIBOR, 11.00 a.m., (iv) in the case of SOR-VWAP, 11.00 a.m. or (v) in the case of TIBOR, 11.00 a.m., in each case in the Relevant Financial Centre, or such other time as specified in the applicable Final Terms.

(c) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) **Determination of Rate of Interest and calculation of Interest Amounts**

The Agent 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.

The Agent will calculate the amount of interest (the **"Interest Amount"**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

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 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 4.2:

- (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 (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) 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:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> 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:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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 D<sub>2</sub> will be 30; and

- (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:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" 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 D<sub>1</sub> will be 30; and

"D<sub>2</sub>" 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 D<sub>2</sub> will be 30.

(e) **Notification of Rate of Interest and Interest Amounts**

The Agent 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 are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice 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 Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(f) **Linear Interpolation**

Where Linear Interpolation is specified as being 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 Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable

Final Terms), one of which shall be determined as if the Designated 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 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 Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

**"Designated Maturity"** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(g) **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 4.2 shall (in the absence of manifest error) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (subject as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.3 **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, upon due presentation thereof, 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 in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

4.4 **Benchmark discontinuation**

(a) **Independent Adviser**

If any Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Independent Adviser determining a Successor Rate, or, if a Successor Rate is not available, an Alternative Rate (in accordance with Condition 4.4(b)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 4.4(c)), and any Benchmark Amendments (in accordance with Condition 4.4(d)).

If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Rate in accordance with this Condition 4.4(a) prior to the Interest Determination Date, the Reference Rate applicable to the immediately following Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate applicable to the first Interest Period. For the avoidance of doubt, any adjustment pursuant to this Condition 4.4(a) shall apply to the immediately following Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of this Condition 4.4.

An Independent Adviser appointed pursuant to this Condition 4.4 shall act in good faith as an expert and (in the absence of wilful misconduct or gross negligence) shall have no liability whatsoever to the Issuer, any Paying Agent, the Calculation Agent, the Noteholders, the Receiptholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 4.4.

(b) **Successor Rate or Alternative Rate**

If the Independent Adviser acting in good faith and in a commercially reasonable manner, determines that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.4(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4.4) and be deemed to be the Original Reference Rate such that in case the Successor Rate were discontinued or otherwise unavailable, this would constitute a Benchmark Event; or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4.4(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4.4) and be deemed to be the Original Reference Rate such that in case the Alternative Rate were discontinued or otherwise unavailable, this would constitute a Benchmark Event.

(c) **Adjustment Spread**

If the Independent Adviser acting in good faith, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(d) **Benchmark Amendments**

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4.4 and the Independent Adviser acting in good faith, determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.4(e), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4.4(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Following any Benchmark Amendment, if it becomes generally accepted market practice in the area of publicly listed new issues of notes to use a benchmark rate of interest which is different from the Alternative Rate or Successor Rate which had already been adopted by the Issuer in respect of the Notes pursuant to any Benchmark Amendment, the Issuer is entitled to apply a further Benchmark Amendment in line with such generally accepted market practice pursuant to this Condition 4.4.

Any amendment to the Conditions pursuant to this Condition 4.4 is subject to the prior written permission of the competent authority (provided that, at the relevant time, such permission is required to be given).

(e) **Notices, etc.**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4.4 shall be notified promptly by the Issuer to each Paying Agent, the Calculation Agent and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Agent of the same, the Issuer shall deliver to the Agent, a certificate signed by two authorised signatories of the Issuer:

- (i) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4.4; and
- (ii) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Agent shall make available such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Agent, the Calculation Agent, the Paying Agents, the Noteholders, the Receiptholders and the Couponholders.

(f) **Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer, as the case may be, under Condition 4.4 (a), (b), (c) and (d), the Original Reference Rate and the fallback provisions provided for in Conditions 4.1 and 4.2 will continue to apply unless and until the Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread (if applicable) and Benchmark Amendments, in accordance with Condition 4.4(e).

(g) **Definitions**

As used in this condition 4.4:

**“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 Independent Adviser acting in good faith, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) 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 Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended or formally provided as an option for the parties to adopt in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- (C) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines acting in good faith, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or Alternative Rate (as the case may be).

**“Alternative Rate”** means an alternative to the Reference Rate which the Independent Adviser has determined in accordance with Condition 4.4(b) which has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and the Specified Currency.

**“Benchmark Amendments”** has the meaning given to it in Condition 4.4(d).

**“Benchmark Event”** means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (B) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate, the effect of which means that the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (E) a public statement made by the supervisor of the administrator of the Original Reference Rate announcing that the Original Reference Rate is (i) no longer representative of any underlying market; or (ii) the methodology to calculate such Original Reference Rate has materially changed; or
- (F) it has become unlawful or otherwise prohibited for any Paying Agent, the Calculation Agent, the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate or otherwise make use of the Original Reference Rate with respect to the Notes.

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4.4(a).

**“Original Reference Rate”** means the originally-specified Mid-Swap Rate, or any component customarily used in the determination thereof, or Reference Rate, as the case may be, used to determine the Rate of Interest (or any component part thereof) on the Notes.

**“Relevant Nominating Body”** means, in respect of a Reference Rate:

- (A) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (w) the central bank for the currency to which the Reference Rate relates, (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (y) a group of the aforementioned central banks or other supervisory authorities or (z) the Financial Stability Board or any part thereof.

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

## 5. PAYMENTS

### 5.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); 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.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations thereunder, any official interpretations thereof or an intergovernmental agreement, including any laws implementing such an agreement, between the United States and another jurisdiction facilitating the implementation thereof. The Issuer will not be obliged to make any additional payments in respect of any such withholding or deduction.

No commissions or expenses shall be charged to the Noteholders in respect of such payments.

### 5.2 Presentation of definitive Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 5.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive form (other than 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), 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 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured 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. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal 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 nominal amount of such Note.



If the due date for redemption of any definitive 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 Note.

### 5.3 **Payments in respect of Global Notes**

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such 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 either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

### 5.4 **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, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will 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 Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and 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 United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

### 5.5 **Payment Day**

If the date for payment of any amount in respect of any Note 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 (subject to Condition 8) 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) in the case of Notes in definitive form only, the relevant place of presentation;
  - (ii) each Additional Financial Centre specified in the applicable Final Terms; and
- (b) either (A) 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 (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and

Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

## 5.6 Interpretation of principal and interest

Any reference in the 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 7;
- (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 Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6.8); and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the 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 7.

## 6. REDEMPTION AND PURCHASE

### 6.1 Redemption at maturity

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

### 6.2 Redemption for tax reasons

The Notes (other than Notes in respect of which the Issuer shall have given a notice of redemption pursuant to Condition 6.3, 6.4 or 6.5 prior to any notice being given under this Condition 6.2) may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if:

- (a) 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 7 as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority therein or thereof having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment is officially published and becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent a certificate signed by any member of the Executive Board of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the obligation referred to in (a) cannot be avoided by the Issuer taking reasonable measures available to it and the Agent shall be entitled to accept the certificate as sufficient evidence of the satisfaction of

the condition precedent set out in (b) above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 6.2 will be redeemed at their Early Redemption Amount referred to in Condition 6.8 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### 6.3 **Redemption at the option of the Issuer (Issuer Call)**

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

- (a) not less than 10 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms) to the Noteholders in accordance with Condition 13; and
- (b) not less than 5 days before the giving of the notice referred to in (a) above, notice to the Agent;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding (other than Notes in respect of which the Issuer shall have given a notice of redemption pursuant to Condition 6.2, 6.4 or 6.5 prior to any notice being given under this Condition 6.3) on any Optional Redemption Date at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. The Optional Redemption Amount will be either the amount per Calculation Amount specified in the applicable Final Terms or, if Make-Whole Redemption Option is specified as being applicable in the applicable Final Terms, the Make-Whole Redemption Amount. Any such redemption may, at the Issuer's discretion, be subject to one or more conditions precedent, in which case the notice of redemption shall state the applicable condition(s) precedent and that, in the Issuer's discretion, the Optional Redemption Date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date, or by the Optional Redemption Date so delayed.

In this Condition:

**"Benchmark Rate"** means the benchmark rate calculated on the Calculation Date and determined by the Quotation Agent based on the rate per annum equal to the annual yield to maturity or interpolated yield to maturity of the Benchmark Security, assuming a price for the Benchmark Security (expressed as a percentage of its nominal amount) equal to the Benchmark Security Price for the relevant Optional Redemption Date;

**"Benchmark Security"** means the benchmark security/securities specified in the applicable Final Terms;

**"Benchmark Security Price"** means the arithmetic average, as determined by the Quotation Agent, of the bid and offered prices for the Benchmark Security (expressed as a percentage of its nominal amount) at such time on the Calculation Date as shall be specified in the Final Terms;

**"Calculation Date"** means the third Business Day (as defined in Condition 4.2(a)(i)) prior to the Optional Redemption Date;

**"Make-Whole Margin"** means the rate per annum (expressed as a percentage) specified in the applicable Final Terms;

**"Make-Whole Redemption Amount"** means the sum of:

- (a) the greater of (x) the Final Redemption Amount of the Redeemed Notes (as defined below) and (y) the sum of then present values of the remaining scheduled payments of principal and

interest on the Redeemed Notes to the Issuer Maturity Call Date (excluding any interest accruing on the Redeemed Notes to but excluding the Optional Redemption Date) discounted to the Optional Redemption Date on a semi-annual or annual basis (as specified in the applicable Final Terms) at a rate equal to the Make-Whole Redemption Rate; and

- (b) any interest accrued but not paid on the Redeemed Notes to but excluding the Optional Redemption Date,

as determined by the Quotation Agent;

**"Make-Whole Redemption Rate"** means the sum of the Benchmark Rate and the Make-Whole Margin; and

**"Quotation Agent"** means any Dealer or any other international credit institution or financial services institution appointed by the Issuer for the purpose of determining the Make-Whole Redemption Amount, in each case as such Quotation Agent is identified 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 and/or 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) 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 referred to as 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 13 not less than 15 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 6.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

#### 6.4 **Redemption at the option of the Issuer (Issuer Maturity Call)**

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

- (a) not less than 10 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms) to the Noteholders in accordance with Condition 13; and
- (b) not less than 5 days before the giving of the notice referred to in (a) above, notice to the Agent,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all, or some only, of the Notes then outstanding (other than Notes in respect of which the Issuer shall have given a notice of redemption pursuant to Condition 6.2, 6.3 or 6.5 prior to any notice being given to Noteholders under this Condition 6.4) at any time during the period commencing on (and including) the Issuer Maturity Call Date to (and excluding the Maturity Date), at the Final Redemption Amount specified in the applicable Final Terms, together with interest accrued to (but excluding) the date fixed for redemption.

In this Condition 6, the "**Issuer Maturity Call Date**" means the date to be defined in the relevant Final Terms.

In the case of a partial redemption of Notes, the 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 and/or 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) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption. 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 13 not less than 15 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 6.4 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

#### 6.5 **Redemption at the option of the Issuer (Issuer Clean-up Call)**

If Issuer Clean-up Call is specified as being applicable in the applicable Final Terms, in the event that Notes representing an aggregate amount equal to or exceeding the Minimum Percentage (as specified in the applicable Final Terms, being a percentage of the initial aggregate principal amount of that particular Series of Notes (including any Notes which have been consolidated and form a single Series therewith)) have been purchased or redeemed and cancelled by the Issuer, the Issuer may, having given:

- (a) not less than 10 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms) to the Noteholders in accordance with Condition 13; and
- (b) not less than 5 days before the giving of the notice referred to in (a) above, notice to the Agent,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Notes then outstanding (other than Notes in respect of which the Issuer shall have given a notice of redemption pursuant to Condition 6.2, 6.3 or 6.4 prior to any notice being given under this Condition 6.5) on the date specified in such notice at the Early Redemption Amount referred to in Condition 6.8 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

#### 6.6 **Redemption at the option of the Issuer (Issuer Acquisition Call)**

If Redemption following an Acquisition Event is specified as applicable in the relevant Final Terms and an Acquisition Event has occurred, the Issuer may, on giving (i) not less than 10 nor more than 30 days' notice to Noteholders in accordance with Condition 13; and (ii) not less than 5 days notice to the Agent, in each case during the Acquisition Option Period (as specified in the applicable Final Terms), at its option, redeem all (but not some only) of the Notes then outstanding at the Acquisition Call Redemption Amount (as specified in the relevant Final Terms), together with any interest accrued to, but excluding, the date set for redemption.

All Notes in respect of which any such notice is given shall be redeemed, on the date specified in such notice in accordance with this Condition.

For the purposes of this Condition:

an "**Acquisition Event**" shall be deemed to have occurred if the Issuer (i) has not, on or prior to the Acquisition Completion Date (as specified in the Final Terms), completed and closed the acquisition of the Acquisition Target (as specified in the Final Terms) or (ii) has publicly announced to the market that it no longer intends to pursue the acquisition of the Acquisition Target.

#### 6.7 **Redemption at the option of the Noteholders (Investor Put)**

##### (a) ***Redemption at the option of the Noteholders (other than a Change of Control Put)***

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than 15 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms), the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition 6.7(a) accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 6.7(a) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Noteholder has declared the Notes to be due and payable pursuant to Condition 9, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6.7(a).

(b) **Change of Control Put**

If Change of Control Put is specified as being applicable in the applicable Final Terms, this Condition 6.7(b) shall apply.

- (i) Subject to Condition 6.7(b)(v) below, a "**Put Event**" will be deemed to occur if:
- (A) any Person or group of Persons acting in concert gains control of the Issuer ("**Change of Control**"); and
  - (B) on the date (the "**Relevant Announcement Date**") that is the earlier of (i) the date of the first public announcement of the relevant Change of Control; and (ii) the date of the earliest Relevant Potential Change of Control Announcement (if any), the Notes carry from any Rating Agency:
    - (1) an investment grade credit rating (*Baa3/BBB-*, or equivalent, or better), and such rating from any Rating Agency is within the Change of Control Period either downgraded to a non-investment grade credit rating (*Ba1/BB+*, or equivalent, or worse) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated, in either case, to an investment grade credit rating by such Rating Agency; or
    - (2) a non-investment grade credit rating (*Ba1/BB+*, or equivalent, or worse), and such rating from any Rating Agency is within the Change of Control Period downgraded by one or more notches (for illustration, *Ba1/BB+* to *Ba2/BB* being one notch) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated, in either case, to its earlier credit rating or better by such Rating Agency, or
    - (3) no credit rating, and no Rating Agency assigns within the Change of Control Period an investment grade credit rating to the Notes,

provided that if on the Relevant Announcement Date the Notes carry a credit rating from more than one Rating Agency, at least one of which is investment grade, then subparagraph (1) will apply to the exclusion of subparagraph (2), such that any change in a

non-investment grade credit rating from another Rating Agency shall be disregarded for the purposes of Condition 6.7(b); and

- (C) in making the relevant decision referred to in (B)(1) or (2) above (if applicable), the relevant Rating Agency announces publicly or confirms in writing to the Issuer and/or the Noteholders that such decision resulted, in whole or in part, from the occurrence of the Change of Control (whether or not the Change of Control shall have occurred at the time such decision is made) or the Relevant Potential Change of Control Announcement.
- (ii) If a Put Event occurs (unless the Issuer has given notice under Condition 6.2), each Noteholder shall have the option to require the Issuer to redeem or, at the Issuer's option, purchase (or propose the purchase of) that Note on the Put Date (as defined below) at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the date of redemption or purchase. Such option (the "**Put Option**") shall operate as set out in this Condition 6.7(b).
- (iii) Promptly upon the Issuer becoming aware that a Put Event has occurred the Issuer shall give notice (a "**Put Event Notice**") to the Noteholders in accordance with Condition 13 specifying the nature of the Put Event and the procedure for exercising the Put Option.
- (iv) To exercise the Put Option, the holder of this Note must, if it is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the "**Put Period**") of not less than 30 and not more than 60 days after a Put Event Notice is given, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Change of Control Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition 6.7(b) accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Change of Control Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the Put Option, the holder of this Note must, within the Put Period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

The Paying Agent to which such Note and Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the date which is 7 days after the expiration of the Put Period (the "**Put Date**") by transfer to that bank account and, in every other case, on or after the Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent.

Any Change of Control Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 6.7(b) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Noteholder has declared the Notes to be due and payable pursuant to Condition 9, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6.7(b). Receipts issued pursuant to this Condition 6.7(b) shall be treated as if they were Notes. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Put Date unless previously redeemed and cancelled or purchased.

If 80 per cent. or more in nominal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 6.7(b), the Issuer may, on not less than 30 and not

more than 60 days' notice to the Noteholders given within 30 days after the Put Date, redeem or purchase (or procure the purchase of), at its option, the remaining Notes as a whole at their principal amount together with interest accrued to but excluding the date of redemption or purchase.

If the rating designations employed by Moody's or S&P are changed from those which are described in paragraph (i) above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine the rating designations of Moody's or S&P or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of Moody's or S&P and paragraph (i) shall be read accordingly.

- (v) A Change of Control shall not apply to the acquisition of control by family members or successors by inheritance of the current ultimate owner of the Issuer or by companies owned by such family members or successors by inheritance or by trusts of which they are beneficiaries and no Put Event shall be deemed to have occurred in such circumstances.
- (vi) For the purpose of this Condition 6.7(b):

**"acting in concert"** means acting together pursuant to an agreement or understanding (whether formal or informal);

**"Change of Control Period"** means the period commencing on the Relevant Announcement Date and ending 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration);

**"control"** means the acquisition of or right or option to acquire:

- (i) beneficial ownership (directly or indirectly) of more than 50 per cent. of the issued share capital (or voting power) of the Issuer; or
- (ii) beneficial ownership (directly or indirectly) of the right to control the composition of the majority of the board of directors of the Issuer or the majority of its voting rights, in each case, whether through the ownership of voting capital or by contract;

**"Optional Redemption Amount"** shall mean the amount specified as such in the applicable Final Terms;

**"Person"** means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organisation, or a government or agency or political subdivision thereof;

**"Rating Agency"** means Moody's Italia S.r.l. ("**Moody's**") or S&P Global Ratings Europe Limited, Italy Branch ("**S&P**"), or their respective successors or any rating agency (a "**Substituted Rating Agency**") substituted for any of them by the Issuer from time to time; and

**"Relevant Potential Change of Control Announcement"** means any formal public announcement or statement by the Issuer, any actual or potential bidder or any adviser thereto relating to any potential Change of Control where within 90 days following the date of such announcement or statement, a Change of Control occurs.

## 6.8 Early Redemption Amounts

For the purpose of Condition 6.2 and 6.5 above and Condition 9, 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, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or



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

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

where:

"**RP**" means the Reference Price;

"**AY**" means the Accrual Yield expressed as a decimal; and

"**y**" is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of 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 will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days 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 will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days 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 will be 365).

## 6.9 Purchases

The Issuer or any Subsidiary of the Issuer may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

## 6.10 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 6.9 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

## 6.11 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 Condition 6.1, 6.2, 6.3, 6.4, 6.5, 6.6 or 6.7 above or upon its becoming due and repayable as provided in Condition 9 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 6.5(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 in respect of such Zero Coupon Notes has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## 7. TAXATION

All payments of principal and interest in respect of the Notes and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Netherlands unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be

necessary in order that the net amounts received by the holders of the Notes 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 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 or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note or Coupon;
- (b) presented for payment 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 assuming that day to have been a Payment Day (as defined in Condition 5.5);
- (c) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction in whole or in part by presenting a form or certificate and/or by making a declaration of non-residence or other claim for exemption or reduction but fails to do so; or
- (d) where a withholding or deduction is required to be made pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

As used herein, "**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 Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## 8. **PRESCRIPTION**

The Notes and Coupons will become void unless claims for payment in respect of principal and/or interest are made within a period of five years from the date on which such payment first became due.

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 5.2.

## 9. **EVENTS OF DEFAULT AND ENFORCEMENT**

### 9.1 **Events of Default**

If any of the following events (each an "**Event of Default**") shall have occurred and be continuing, any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare to the Issuer that any Notes held by that holder to be forthwith immediately due and repayable at its Early Redemption Amount together with accrued interest (if any) to the date of prepayment without presentment, demand, protest or other notice of any kind being required:

(a) *Non-Payment*

if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 7 days in the case of principal and 15 days in the case of interest; or

(b) *Breach of Other Obligations*

if the Issuer does not perform or comply with any one or more of its other obligations in respect of the Notes upon notice to such effect being given to the Issuer, which default is incapable of remedy, or the failure continues for a period of 45 days after notice of such default shall have been given to the Issuer; or

(c) *Cross-Default*

if (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for or in respect of moneys borrowed becomes due and payable prior to its stated maturity by reason of default, event of default or the like (howsoever described) or (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred and remains unpaid or undischarged equals or exceeds (x) €100,000,000 or, if greater, (y) 0.5 per cent. of Total Group Assets, or their equivalent in any other currency; or

(d) *Enforcement Proceedings*

if a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or a substantial part of the assets or revenues of the Issuer or any of its Material Subsidiaries and is not discharged or stayed within 45 days; or

(e) *Security Enforced*

if any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries over the whole or a substantial part of the undertaking, assets or revenues of the Issuer or any of its Material Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person in respect thereof) and is not discharged or stayed within 45 days; or

(f) *Insolvency*

if (i) any corporate action, legal proceedings or other procedure, application or step is taken by the Issuer or any of its Material Subsidiaries for it being declared in bankruptcy (*faillissement*), or in suspension of payments (*surséance van betaling*) or in emergency regulation (irrespective of whether that procedure is provisional or final) or (ii) the Issuer or any of its Material Subsidiaries is declared in bankruptcy (*faillissement*), or in suspension of payments (*surséance van betaling*) or in emergency regulation (irrespective of whether that procedure is provisional or final) or (iii) the Issuer or any of its Material Subsidiaries offers or enters into a composition with all its creditors generally (*buitengerechtigd akkoord*); or

(g) *Winding-up*

if an order is made or an effective resolution passed for the winding-up or dissolution (*ontbinding*) of the Issuer or any of its Material Subsidiaries, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution of the Noteholders, or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of the Issuer's Subsidiaries, or (iii) in the case of a Material Subsidiary, pursuant to a voluntary solvent winding-up where surplus assets are available for distribution; or

(h) *Analogous Events*

if any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs (d) to (g).

For the purposes of the Conditions:

"**Group**" means the Issuer and its Subsidiaries for the time being.

**"Material Subsidiary"** means, at any time, a Subsidiary of the Issuer whose net turnover on ordinary activities (excluding intra-Group items) accounts for at least 10 per cent. of the consolidated net turnover on ordinary activities of the Group.

For this purpose:

- (i) the net turnover on ordinary activities of a Subsidiary of the Issuer will be determined by its financial statements (on a consolidated basis if that Subsidiary itself has Subsidiaries) upon which the latest audited financial statements of the Group have been based;
- (ii) if a Subsidiary of the Issuer becomes a member of the Group after the date on which the latest audited financial statements of the Group have been prepared, the net turnover on ordinary activities of that Subsidiary (calculated on a consolidated basis if that Subsidiary itself has Subsidiaries) will be determined from its latest financial statements;
- (iii) the net turnover on ordinary activities of the Group will be determined from its latest audited financial statements; and
- (iv) if a Material Subsidiary disposes of all or substantially all of its assets to another Subsidiary of the Issuer, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary and the subsequent financial statements of those Subsidiaries and the Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

The Issuer shall give to the Agent within 180 days of its annual audited financial statements being made available to its shareholders and also within 180 days of a request being made by the Agent or any Noteholder a certificate signed by any member of the Executive Board of the Issuer listing those Subsidiaries which as at the last day of the last financial year of the Issuer or as at the date specified in such request were Material Subsidiaries. Such certificate will be made available by the Agent for inspection by the Noteholders and on the website of the Issuer.

**"substantial part"**, in Conditions 9.1(d) and (e) above, means 20 per cent. or more of the whole. In the case of assets of the Issuer or a Material Subsidiary, this shall be determined by reference to the total assets of the Issuer or the relevant Material Subsidiary, as the case may be, on a consolidated basis. In the case of revenues of the Issuer or a Material Subsidiary, this shall be determined by reference to net turnover on ordinary activities of the Issuer or the relevant Material Subsidiary, as the case may be, on a consolidated basis. In the case of both assets and revenues of the Issuer or a Material Subsidiary, the determination as to whether something is a "substantial part" shall be made by reference to the latest audited financial statements of the Issuer (for the Issuer) or the latest financial statements (audited, if available, and on a consolidated basis if that Subsidiary itself has Subsidiaries) of the Material Subsidiary (for a Material Subsidiary).

**"Total Group Assets"** means the total assets of the Issuer on a consolidated basis, as shown in its then latest audited annual financial statements or (if more recently prepared and published) its then latest unaudited interim financial statements.

## 10. **REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent 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, Coupons or Talons must be surrendered before replacements will be issued.

## 11. **PAYING AGENTS**

The names of the initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (a) there will at all times be an Agent; and
- (b) 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 with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5.4. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 13.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## 12. 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 Agent or any other Paying Agent 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 8.

## 13. NOTICES

All notices regarding the Notes will be deemed to be validly given if published (a) on the website of the Issuer or (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg and/or the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)). It is expected that any such publication in a newspaper will be made in the *Luxemburger Wort* or the *Tageblatt* in Luxembourg. 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 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 or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any 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. Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder 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 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 Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

14. **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 Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10 per cent. in nominal 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 a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal 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 or the Coupons or the Agency Agreement (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than 75 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than 25 per cent. in nominal 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 Couponholders.

In addition, a resolution in writing signed by or on behalf of not less than 90 per cent. of the Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Agency Agreement will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Agent may agree, without the consent of the Noteholders or Couponholders, to:

- (i) any modification of any of the provisions of these Conditions, the Notes, the Coupons or the Agency Agreement which is not, in the opinion of the Agent, materially prejudicial to the interests of the Noteholders; or
- (ii) any modification of any of the provisions of these Conditions, the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

In connection with the exercise by it of any of its powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Agent shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Agent shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Agent or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 7 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 7 pursuant to Agency Agreement.

15. **SUBSTITUTION OF THE ISSUER**

- (a) The Issuer may, without any further consent of the Noteholders or Couponholders being required, when no payment of principal of or interest on any of the Notes is in default, be replaced and substituted by any directly or indirectly wholly-owned subsidiary of the Issuer

(the “**Substituted Debtor**”) as principal debtor in respect of the Notes and the relative Coupons provided that:

- (i) such documents shall be executed by the Substituted Debtor and the Issuer as may be necessary to give full effect to the substitution (together the “**Documents**”) and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder and Couponholder to be bound by the Conditions and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes, and the relative Coupons, the Agency Agreement as the principal debtor in respect of the Notes and the relative Coupons in place of the Issuer and pursuant to which the Issuer shall guarantee, which guarantee shall be unconditional and irrevocable, (the “**Guarantee**”) in favour of each Noteholder and each holder of the relative Coupons the payment of all sums payable in respect of the Notes and the relative Coupons;
- (ii) the Documents shall contain a covenant by the Substituted Debtor and the Issuer to indemnify and hold harmless each Noteholder and Couponholder against all liabilities, costs, charges and expenses (provided that insofar as the liabilities, costs, charges and expenses are taxes or duties, the same arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective) which may be incurred by or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, such liabilities, costs, charges and expenses shall include any and all taxes or duties which are imposed on any such Noteholder or Couponholder by any political sub-division or taxing authority of any country in which such Noteholder or Couponholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);
- (iii) the Documents shall contain a warranty and representation by the Substituted Debtor and the Issuer (a) that each of the Substituted Debtor and the Issuer has obtained all necessary governmental and regulatory approvals and consents for such substitution and the performance of its obligations under the Documents, and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by each of the Substituted Debtor and the Issuer under the Documents are all valid and binding in accordance with their respective terms and enforceable by each Noteholder;
- (iv) each stock exchange which has Notes listed thereon shall have confirmed to the Issuer that following the proposed substitution of the Substituted Debtor such Notes would continue to be listed on such stock exchange;
- (v) the Substituted Debtor shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of local lawyers acting for the Substituted Debtor to the effect that the Substituted Debtor has the capacity, power and authority to enter into the Documents and to perform its obligation thereunder, and that the Documents constitute legal, valid and binding obligations of the Substituted Debtor, such opinion to be dated not more than three days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders and Couponholders at the specified office of the Agent;
- (vi) the Issuer shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from the internal legal adviser to the Issuer to the effect that the Documents (including the Guarantee) constitute legal, valid and binding obligations of the Issuer, such opinion to be dated not more than three days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders and Couponholders at the specified office of the Agent; and
- (vii) the Issuer shall have delivered to the Agent or procured the delivery to the Agent of a legal opinion from a leading firm of Dutch lawyers to the effect that the Documents (including the Guarantee) constitute legal, valid and binding obligations of the Substituted Debtor and the Issuer under Dutch law, such opinion to be dated not more

than three days prior to the date of substitution of the Substituted Debtor for the relevant Issuer and to be available for inspection by Noteholders and Couponholders at the specified office of the Agent.

- (b) In connection with any substitution effected pursuant to this Condition, neither the Issuer nor the Substituted Debtor need have any regard to the consequences of any such substitution for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no Noteholder or Couponholder, except as provided in Condition 15(a)(ii), shall be entitled to claim from the Issuer or any Substituted Debtor under the Notes and the relative Coupons any indemnification or payment in respect of any tax or other consequences arising from such substitution.
- (c) Upon the execution of the Documents as referred to in paragraph (a) above, and subject to the notification as referred to in paragraph (e) below having been given, the Substituted Debtor shall be deemed to be named in the Notes and the relative Coupons as the principal debtor in place of the Issuer and the Notes and the relative Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the Notes and the relative Coupons, save that any claims under the Notes and the relative Coupons prior to release shall ensure for the benefit of Noteholders and Couponholders.
- (d) The Documents shall be deposited with and held by the Agent for so long as any Notes or Coupons remain outstanding and for so long as any claim made against the Substituted Debtor by any Noteholder or Couponholder in relation to the Notes or the relative Coupons or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and the Issuer shall acknowledge in the Documents the right of every Noteholder and Couponholder to the production of the Documents for the enforcement of any of the Notes or the relative Coupons or the Documents.
- (e) Not later than 15 business days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 13.

## 16. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the 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.

## 17. **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### 17.1 **Governing law**

The Agency Agreement, the Notes and the Coupons and any non-contractual obligations arising therefrom or in connection therewith shall be governed by, and construed in accordance with, Dutch law.

### 17.2 **Submission to jurisdiction**

The Issuer irrevocably agrees, for the benefit of the Noteholders and the Couponholders, that the courts of Amsterdam, The Netherlands are to have jurisdiction to settle any disputes which may arise out of or in connection with the these Conditions, the Agency Agreement, the Notes and/or the Coupons (including a dispute relating to any non-contractual obligations arising therefrom or in connection therewith) and accordingly submits to the exclusive jurisdiction of the courts of Amsterdam, the Netherlands.

The Issuer waives any objection to the courts of Amsterdam, the Netherlands on the grounds that they are an inconvenient or inappropriate forum. The Noteholders and the Couponholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in



connection with the Agency Agreement, the Notes and the Coupons (including any Proceedings relating to any non-contractual obligations arising therefrom or in connection therewith) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, which include financing acquisitions. If, in respect of any Tranche, there is a particular identified use of proceeds this will, to the extent required, be stated in the applicable Final Terms.

## FORM OF FINAL TERMS

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

**[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 (the "**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 (EU) 2014/65 on markets in financial instruments (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2016/97/EU (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 Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (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.]<sup>1</sup>

**[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 domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRiIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRiIPs Regulation.]<sup>2</sup>

**[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 [Directive 2014/65/EU on markets in financial instruments (as amended, "**MiFID II**")] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the 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. For the avoidance of doubt, references in this paragraph to "manufacturer" do not refer to the Issuer who is not subject to MiFID II.]

**[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES 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 domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a 'distributor') should take into consideration the 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

<sup>1</sup> Legend to be included unless the Final Terms for an offer of Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable".

<sup>2</sup> Legend to be included unless the Final Terms for an offer of Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable".

refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[NOTIFICATION UNDER SECTION 309B(1) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE:** Solely for the purposes of discharging its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A of the SFA), that the Notes are [prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) 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)]/[capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified 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)].<sup>3</sup>

[Date]

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<sup>3</sup> If the Notes are to be offered into Singapore and are not vanilla fixed rate or floating rate notes, the product classification of the Notes as "prescribed capital markets products" under the SFA may need to be reassessed.

**HEINEKEN N.V.**

*(incorporated with limited liability in the Netherlands)*

**Legal entity identifier (LEI): 724500K5PTPSST86UQ23**  
**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**  
**under the €20,000,000,000**  
**Euro Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 8 March 2021 [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the [Prospectus Regulation][and][UK Prospectus Regulation] (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the [Prospectus Regulation][and][UK Prospectus Regulation] and must be read in conjunction with the Base Prospectus, in order to obtain all the relevant information. The Base Prospectus [and the supplement[s] dated [date] [and [date]]] [has] [have] been published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies may be obtained, during normal business hours, from [address].]

*[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.]*

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 [7 March 2012] [7 March 2013] [7 March 2014] [12 March 2015] [8 March 2016] [3 March 2017] [12 March 2018] [12 March 2019] [12 March 2020] which are incorporated by reference in the Base Prospectus dated 8 March 2021 (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, including the Conditions incorporated by reference in the Base Prospectus, in order to obtain all the relevant information. The Base Prospectus [and the supplement[s] dated [date] [and [date]]] [has] [have] been published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies may be obtained, during normal business hours, from [address].]

1. (a) Series Number: [ ]
- (b) Tranche Number: [ ]
- (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about [date]] [Not Applicable]
2. Specified Currency or Currencies: [ ]
3. Aggregate Nominal Amount:
  - (a) Series: [ ]
  - (b) Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]

5. (a) Specified Denomination(s): [ ] [€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].
- (N.B. the minimum denomination of each Note admitted to trading on a regulated market within the EEA or in the UK or offered to the public in a Member State of the EEA or in the UK in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation or UK Prospectus Regulation must be €100,000 (or equivalent))
- (b) Calculation Amount: [ ]
6. (a) Issue Date: [ ]
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
7. Maturity Date: [Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to [specify date]]
8. Interest Basis: [In respect of the period from (and including) [ ] to (but excluding) [ ]:]
- [[ ] per cent. Fixed Rate]  
 [[Reference Rate] +/- [ ] per cent. Floating Rate]  
 [Zero Coupon]
- (see paragraph [13]/[14]/[15] below)
- [In respect of the period from (and including) [ ] to (but excluding) [ ]:]
- [[ ] per cent. Fixed Rate]  
 [[Reference Rate] +/- [ ] per cent. Floating Rate]  
 [Zero Coupon]
- (see paragraph [13]/[14]/[15] below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ] per cent. of their nominal amount
10. Change of Interest Basis or Redemption/Payment Basis: [Not Applicable]/[See paragraph 8 above]
11. Put/Call Options: [Issuer Call]  
 [Issuer Maturity Call]  
 [Issuer Clean-up Call]  
 [Issuer Acquisition Call]  
 [Investor Put]  
 [Change of Control Put]  
 [(see paragraph [16]/[17]/[18]/[19]/[20]/[21] below)]  
 [Not Applicable]
12. Date [Board] approval for issuance of Notes obtained: [ ]/[Not Applicable]

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] [and [ ]] in each year, commencing on [ ], up to and including the Maturity Date  
[There will be a [long/short] [first/last] coupon in respect of the period from and including [ ] to but excluding [ ].]
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form)*
- (d) Broken Amount(s): [[Long/short] [first/last] coupon: [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/[Not Applicable]  
*(Applicable to Notes in definitive form)*
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[ ] in each year]/[Not Applicable]
14. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Specified Period(s)/Specified Interest Payment Dates: [[ ], [ ], [ ] and [ ] in each year, commencing on the Interest Payment Date falling in [ ], up to and including the Maturity Date, in each case subject to adjustment in accordance with the Business Day Convention specified below/ [ ]]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (c) Additional Business Centre(s): [ ]/[Not Applicable]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ]/[Not Applicable]
- (f) Screen Rate Determination: [Applicable/Not Applicable]

- Reference Rate, Relevant Time and Relevant Financial Centre: Reference Rate: [ ] month [currency] [LIBOR/EURIBOR/SIBOR/SOR-VWAP/TIBOR/[ ]]  
Relevant Time: [[ ] in the Relevant Financial Centre  
Relevant Financial Centre: [London/Brussels/Singapore/Tokyo/[ ]]
- Interest Determination Date(s): [ ]
- Relevant Screen Page: [ ] [for SIBOR Notes – Reuters Screen ABSIRFIX01 Page under the heading "SGD SIBOR"] [for Swap Rate Notes - Reuters Screen ABSFIX01 Page under the heading "SGD SOR rates"]
- (g) ISDA Determination: [Applicable/Not Applicable]
  - Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
- (h) Linear Interpolation: [Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (i) Margin(s): [+/-] [ ] per cent. per annum
- (j) Minimum Rate of Interest: [[ ] per cent. per annum]/[Not Applicable]
- (k) Maximum Rate of Interest: [[ ] per cent. per annum]/[Not Applicable]
- (l) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]

15. Zero Coupon Note Provisions

[Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (a) Accrual Yield: [ ] per cent. per annum
- (b) Reference Price: [ ]
- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360] [Actual/360] [Actual/365]

**PROVISIONS RELATING TO REDEMPTION**

16. Issuer Call:

[Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*



- (a) Optional Redemption Date(s): [ ]/[Any date from and including [ ] to but excluding [ ]]
- (b) Optional Redemption Amount: [[ ] per Calculation Amount]/[Make-Whole Redemption Amount]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [[ ] per Calculation Amount]/[Not Applicable]
- (ii) Maximum Redemption Amount: [[ ] per Calculation Amount]/[Not Applicable]
- (d) Notice period (if other than as set out in the Conditions): [ ]/[Not Applicable]
- (e) Make-Whole Redemption Option: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Quotation Agent: [ ]
- (ii) Discounting basis for the purposes of calculating the sum of the present values of the remaining scheduled payments of principal and interest on Redeemed Notes in the determination of the Make-Whole Redemption Amount: [Annual]/[Semi-annual]
- (iii) Benchmark Security/Securities: [ ]  
*(Specify details of benchmark security/securities, with appropriate securities identification number)*
- (iv) Make-Whole Margin: [ ] per cent. per annum
- (v) Timing for calculation of Benchmark Security Price: [ ] [a.m.] [p.m.] on [ ]
17. Issuer Maturity Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Issuer Maturity Call Date: [[ ] months prior to the Maturity Date]/[ ]
- (b) Notice period (if other than as set out in the Conditions): [ ]/[Not Applicable]
18. Issuer Clean-up Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Minimum Percentage: [ ]
- (b) Notice period (if other than as set out in the Conditions): [ ]/[Not Applicable]
19. Issuer Acquisition Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (a) Acquisition Target: [ ]
- (b) Acquisition Completion Date: [ ]
- (c) Acquisition Call Redemption Amount: [ ]
- (d) Acquisition Option Period: The period from [[•]/ [the Issue Date]] to[[•]/the Acquisition Completion Date]
20. Investor Put: [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [ ] per Calculation Amount
- (c) Notice period (if other than as set out in the Conditions): [ ]/[Not Applicable]
21. Change of Control Put: [Applicable/Not Applicable]  
(If not applicable, delete the subparagraph below)
- Optional Redemption Amount: [ ] per Calculation Amount
22. Final Redemption Amount: [ ] per Calculation Amount  
*(N.B. the Final Redemption amount must be at least 100 per cent. of the nominal value)*
23. Early Redemption Amount payable on redemption for taxation reasons, pursuant to the Issuer Clean-up Call or on an event of default: [ ] per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of the Notes:
- (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [at the option of the Issuer exercisable at any time or at the request of the bearer on the expiry of [ ] days' notice]/[in the limited circumstances described in the Permanent Global Note]]
- [Temporary Global Note exchangeable for Definitive Notes]
- [Permanent Global Note exchangeable for Definitive Notes [at the option of the Issuer exercisable at any time or at the request of the bearer on the expiry of [ ] days' notice]/[in the limited circumstances described in the Permanent Global Note]]
- [Definitive Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or another institution for the purpose of their immobilisation in accordance with article 4 of the Belgian law of 14 December 2005 on the abolition of securities in bearer form.] *(Consider including this*

*wording if the Notes are being offered in Belgium)*

- (b) New Global Note: [Yes]/[No]
25. Additional Financial Centre(s): [ ]/[Not Applicable]
26. Talons for future Coupons to be attached to Definitive Notes: [Yes, 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/No]

Signed on behalf of Heineken N.V.:

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING:

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [ ].]
- [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [ ].]
- [Not Applicable]
- (ii) Estimate of the total expenses related to the admission to trading: [ ]

### 2. RATINGS:

- Ratings: [Not Applicable] / [The Notes to be issued have been rated [ ] by [ ]]
- [Include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*
- [[ ] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). As such, [ ] 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.]
- [[ ] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). [ ] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]
- [[ ] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). The ratings have been endorsed by [ ] in accordance with the CRA Regulation. [ ] is established in the European Union and registered under the CRA Regulation. As such, [ ] 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.] [The European Securities Markets Authority has indicated that ratings issued in [Japan/ Australia/ the USA/ Canada/ Hong Kong/ Singapore/ Argentina/ Mexico/UK] which have been endorsed by [ ] may be used in the EU by the

relevant market participants.]

[ ] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"), but it [is]/[has applied to be] certified in accordance with the CRA Regulation [[EITHER:] 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] [[OR:] although notification of the corresponding certification decision has not yet been provided by the European Securities and Markets Authority and [ ] 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].]

[ ] 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 European Securities and Markets Authority and [ ] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

[ ] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). However, the application for registration under the CRA Regulation of [ ], which is established in the European Union, disclosed the intention to endorse credit ratings of [ ], although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and [ ] 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.] The European Securities Markets Authority has indicated that ratings issued in [Japan/ Australia/ the USA/ Canada/ Hong Kong/ Singapore/ Argentina/ Mexico/ UK] which have been endorsed by [ ] may be used in the EU by the relevant market participants.]

### 3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their 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.]/[ ]/[Not Applicable]

### 4. **REASONS FOR THE OFFER**

Reasons for the offer: [ ]

(See "Use of Proceeds" wording in Base Prospectus – if the reasons for the offer are different from general corporate purposes include those reasons here.)]

**5. TOTAL NET PROCEEDS OF THE ISSUE/OFFER**

Total net proceeds: [ ]

**6. YIELD: (Fixed Rate Notes only)**

Indication of yield: [ ]/[Not Applicable]

**7. OPERATIONAL INFORMATION:**

(i) ISIN: [ ]

(ii) Common Code: [ ]

(iii) CFI: [Not Applicable] / [[include code], 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]

(iv) FISN: [Not Applicable] / [[include code], 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]

(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. (together with the address of each such clearing system) and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

(vi) Names and addresses of additional Paying Agent(s) (if any): [ ]/[Not Applicable]

(vii) 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 does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday 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. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday 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.]

## 8. DISTRIBUTION:

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [ ]/[Not Applicable]
- (iii) Date of Subscription Agreement: [ ]
- (iv) Stabilising Manager(s) (if any): [ ]/[Not Applicable]
- (v) If non-syndicated name and address of relevant Dealer: [ ]/[Not Applicable]
- (vi) U.S. selling restrictions: [TEFRA D Rules/TEFRA C Rules/TEFRA not applicable]
- (vii) Prohibition of Sales to EEA Retail Investors: [Applicable] [Not Applicable]
- (If the Notes being offered do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products, "Applicable" should be specified unless the Issuer has drawn up a key information document in accordance with the PRIIPs Regulation)*
- (viii) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
- (If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*

## 9. THIRD PARTY INFORMATION:

[[*Relevant third party information*] 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.]/[Not Applicable]

## 10. BENCHMARKS:

Relevant Benchmark: [[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date hereof, [[*administrator legal name*][*appears*]/[*does not appear*]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by [ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of Regulation (EU) 2016/1011, as amended][the FCA pursuant to Article 36 of Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018].]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of

[Regulation (EU) 2016/1011, as amended][  
Regulation (EU) 2016/1011 as it forms part of  
domestic law by virtue of the European Union  
(Withdrawal) Act 2018].]/[Not Applicable]<sup>4</sup>

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<sup>4</sup> Include if there is any change to the administrator already specified in the Base Prospectus with respect to a benchmark pursuant to Article 36 of the EU BMR and or UK BMR.



## HEINEKEN N.V.

### Group business description

Heineken is a leading international brewer, tracing its roots back to 1864, when Mr. Gerard Adriaan Heineken purchased a brewery in Amsterdam. Following this acquisition, Heineken was incorporated under the laws of the Netherlands on 27 January 1873.

Heineken is a public company with limited liability (*naamloze vennootschap*). The Issuer is domiciled in the Netherlands and operates under the laws of the Netherlands. Heineken's subsidiaries, where applicable, operate under the laws of the various jurisdictions in which they carry on business.

Heineken's shares were listed for the first time on the Amsterdam Stock Exchange (Euronext Amsterdam) on 6 January 1939. The Issuer is headquartered in Amsterdam, the Netherlands, and is registered at the Chamber of Commerce of Amsterdam, the Netherlands, under number 33011433. The legal entity identifier of the Issuer is 724500K5PTPSST86UQ23. The Issuer's registered office address is Tweede Weteringplantsoen 21, 1017 ZD, Amsterdam, the Netherlands. The Issuer's telephone number is: +31 20 523 92 39. The Issuer's internet address is: [www.theheinekencompany.com](http://www.theheinekencompany.com).

The principal object of the Issuer, which is set out in Article 2 of its Articles of Association (available at <https://www.theheinekencompany.com/investors/governance/articles-association>), is to participate in and manage other enterprises, companies and consortiums, the financing thereof and to provide security for debts of Group companies and everything connected therewith, all in the broadest sense.

### Company and Strategy

Heineken is a proud, independent and responsible brewer, committed to surprising and exciting consumers with its brands and products everywhere. The brand that bears the founder's family name – Heineken® – is available in almost every country and is a world leader in the international premium segment.

Heineken is a leading international brewer, developer and marketer of premium beer and cider brands. Heineken is committed to innovation, long-term brand investment, disciplined sales execution and focused cost management. Heineken has a well-balanced geographic footprint with leadership positions in both developed and developing markets. Heineken has an internationally diverse, dynamic, committed and entrepreneurial team of over 85,000 employees and operates breweries, malteries, cider plants and other production facilities in more than 70 countries.

Heineken's strategy is built around five business priorities. Heineken designs its strategy to enable it to win in the marketplace, connect in a digital world and ensure the long-term sustainability of the business to create value for stakeholders.

The five business priorities are:

#### *Deliver top line growth*

Heineken's strategy is to lead the global premium segment in beer and cider by leveraging the strengths of Heineken®, its international and local brands. The goal is to be number one, or a strong number two, in the markets where Heineken competes with a full brand portfolio.

#### *Drive end2end performance*

Heineken uses its global scale to drive efficiency from end2end, fuelling future growth and increasing margins.

#### *Brew a Better World*

Heineken believes in sustainability as a driver for business success and as a positive force for change. Heineken aims to make contribution to the environment, local communities and society.

#### *Engage and develop our people*

Heineken believes the right people, leadership and culture are crucial for business success. Developing great, business-driven leaders, growing the talent pipeline at all levels, building critical capabilities and strengthening functional excellence, and leveraging diversity and culture, are the 4 key elements in the people agenda.

#### *Connect in a digital world*

Heineken is always looking for innovative ways to bring people together. Today, Heineken is using the opportunities provided by digitalisation to connect with consumers and customers.

In order to emerge stronger from the COVID-19 crisis and build on its unique strengths to deliver superior and profitable growth in a fast-changing world, Heineken has embarked on a strategic review of its business under an initiative called as EverGreen.

The EverGreen strategic review update aims to:

- deliver superior and profitable growth in a fast-changing world;
- enhance its portfolio and strengthen the digital route to consumer;
- raise the bar on sustainability and on the people agenda;
- step up productivity starting with €2 billion in gross savings through 2023; and
- restore operating profit margin (beia) to around 17 per cent. by 2023 and gear for operating leverage beyond.

Heineken is among the largest brewers in the world with total consolidated beer volume of 221 million hectolitres in 2020. Heineken operates in over 70 countries through more than 170 breweries, malteries, cider plants and other production facilities and also through other brewers under licence. The Issuer also has a strong export business, which is carried out mainly from the Netherlands, Mexico and Singapore. The production and sale of beer represents the Issuer's main source of income and cash flow. The Issuer is also engaged in complementary businesses to its beer business, such as beverage distribution and the production of cider, soft drinks and other alcohol products. Heineken enjoys strong market positions and an efficient cost structure in many countries by combining the production, marketing and sale of the Issuer's international brands and products with that of a range of prominent local beer brands.

Led by the Heineken® brand, the Group has a portfolio of more than 300 international, regional, local and specialty beers and ciders. The international brands (Amstel, Desperados, Sol, Tiger, Edelweiss and Birra Moretti) are supplemented and supported by strong national and regional brands, and a range of specialty beers, light beers (low-calorie beers), ciders and alcohol-free beers. Market leading positions have been built by developing a cohesive portfolio of strong brands, which offer high added value for the Issuer's customers and consumers.

Throughout most of the Issuer's international markets, the quality and image of the Heineken® brand enables it to be positioned as a premium product. The Issuer always looks to position its products at the higher added value end of the marketplace and it has a limited presence in the range of low-priced products.

In terms of distribution, Heineken seeks to achieve optimum availability of its products in each market through alliances with independent distributors and/or via its own beverage wholesalers. Heineken has strong networks of owned wholesalers in Europe (i.e. France, Italy, Austria and, to a lesser extent, Spain, Switzerland and Ireland), which also supply (in addition to beer) a range of soft drinks, wines and spirits to the on-trade channel (i.e. restaurants, hotels, bars and cafeterias). The wholesale subsidiary companies specialise in distributing a full range of beverages which enables the Issuer to forge a direct link with the on-premises outlets. Heineken also produces soft drinks, generally where this manufacturing activity complements the production and distribution of its beers. Innovation in products and draught systems supports the competitive position of the corporate brands. In pursuit of its commitment to quality, sustainability, lower production cost, greater safety and lower environmental impact, the Issuer is constantly working to improve all the technical processes involved in brewing, packaging and supply chain management. Activities in these areas are co-ordinated by the Issuer's research and development centre in the Netherlands. This centre makes its services available to Heineken and its associated breweries globally.

Heineken remains focused on cash flow generation and disciplined working capital management, with a commitment to a long-term target net debt/EBITDA (beia) ratio of below 2.5x. The net debt/EBITDA (beia) ratio was 3.4x on 31 December 2020 (2019: 2.6x).

Heineken has long-term credit ratings of Baa1 and BBB+ from Moody's Italia S.r.l. ("**Moody's**") and S&P Global Ratings Europe Limited, Italy Branch ("**S&P**"), respectively, as at the date of this Base Prospectus.

Heineken N.V. and Heineken Holding N.V. shares trade on Euronext Amsterdam. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on Reuters under HEIN.AS and HEIO.AS. Heineken has two sponsored level 1 American Depositary Receipt (ADR) programmes: Heineken N.V. (OTCQX: HEINY) and Heineken Holding N.V. (OTCQX: HKHHY). The latest information is available on Heineken's website: [www.theHEINEKENcompany.com](http://www.theHEINEKENcompany.com).

The Heineken Group attaches great importance to having a policy on alcohol abuse and good social and environmental policies. This is reflected in the Group's marketing campaigns around the world ([www.enjoyheinekenresponsibly.com](http://www.enjoyheinekenresponsibly.com)) and its corporate behaviour.

## **Business Overview**

COVID-19 continues to have a material impact on Heineken's top-line performance, affecting all geographies and markets as governments across the world took measures to mitigate the contagion including restricted population movement, social distancing, outlet closures and temporary lockdowns of production facilities.

Net revenue (beia) declined 11.9 per cent organically in 2020, with a 9.8 per cent decrease in total consolidated volume and a 2.4 per cent decrease in net revenue (beia) per hectolitre due to country mix effects and non-volume related revenue decline. The underlying price mix on a constant geographic basis was broadly flat for the full year. Currency translation negatively impacted net revenue (beia) by €1,259 million or 5.3 per cent, mainly driven by the Brazilian Real, the Mexican Peso, the Nigerian Naira, the Russian Rouble and the South African Rand.

Consolidated beer volume decreased 8.1 per cent organically in 2020. Our premium beer volume outperformed the broader portfolio in the majority of our markets with a mid-single digit decline overall.

Operating profit (beia) declined 35.6 per cent organically in 2020, with all regions in decline. More than 90 per cent of the organic operating profit (beia) decline was driven by Europe, Mexico, South Africa and Indonesia. Currency translation negatively impacted operating profit (beia) by €129 million or 3.2 per cent, mainly driven by the Brazilian Real and the Mexican Peso.

In 2020, there were impairments (net of reversal) of €963 million in tangible and intangible assets in operating profit. The impact of the COVID-19 pandemic in developing economies and the on-trade restrictions in some developed economies triggered the need for impairment reviews.

Heineken® volume declined marginally by 0.4 per cent in 2020, significantly outperforming the total market and our overall beer portfolio. The brand grew double-digits in 25 markets including Brazil, China, the UK, Poland, Singapore, Nigeria, Germany, Chile, Ivory Coast, Laos, and South Korea. Heineken® 0.0 grew strong double-digits in 2020 with growth in all regions and an outstanding performance in Brazil, Mexico, and the USA. Heineken® 0.0 is now rolled-out in 84 markets.

The international brand portfolio had a mixed performance in 2020 across brands and markets. Desperados grew double-digits driven by France, Poland, the Netherlands and Ivory Coast. Birra Moretti grew slightly as strong growth in the UK and Romania more than offset the decrease in Italy. Tiger volume was soft in Vietnam, outperforming the total market, and the brand grew strongly in Nigeria and South Korea. Amstel declined driven by Europe and South Africa despite double-digit growth in Brazil and Mexico. Sol declined driven by Mexico but grew double-digits in the UK, Chile and Argentina. Edelweiss declined in Europe but showed strong growth in South Korea.

Cider volume in 2020 declined in the high-teens to 4.6 million hectolitres (2019: 5.6 million), due to pub closures in the UK and alcohol sales restrictions in South Africa. Strongbow grew double-digits in Mexico and Russia.

Low & No-Alcohol volume decreased slightly, delivering 14.0 million hectolitres in 2020 (2019: 14.1 million) and outperforming the overall portfolio in most of our markets. The no-alcohol portfolio grew mid-single-digit

in 2020, driven by Heineken® 0.0 globally and Maltina in Nigeria.

Heineken entered the Hard Seltzer category with Pure Piraña in Mexico and New Zealand in September 2020 and more launches will come in 2021. In Mexico, Pure Piraña is the first nationwide seltzer brand available across all channels, complemented by Amstel Ultra Seltzer, launched in January 2021. In the USA, together with AriZona, Heineken announced the launch of AriZona SunRise Hard Seltzer in 2021.

Heineken divides its global operations into four geographic segments: Africa, Middle East & Eastern Europe; Americas; Asia Pacific and Europe. The overview of net revenue (beia), operating profit (beia) and consolidated beer volume (see "Glossary") per regional business segment is shown below.

## Geographical segments

<i>(Full year figures)</i>	2020	2019
<b>Net revenue (beia)**</b> <i>(In millions of EUR)</i>		
Africa, Middle East & Eastern Europe .....	2,782	3,370
Americas .....	6,319	7,429
Asia Pacific .....	2,707	3,205
Europe .....	8,631	10,629
Head Office / Eliminations .....	-716	-740
	<b>19,724</b>	<b>23,894</b>
<b>Operating profit (beia)**</b> <i>(In millions of EUR)</i>		
Africa, Middle East & Eastern Europe .....	264	408
Americas .....	1,045	1,204
Asia Pacific .....	867	1,085
Europe .....	447	1,436
Head Office / Eliminations .....	-202	-114
	<b>2,421</b>	<b>4,020</b>
<b>Consolidated beer volume (mhl)**</b>		
Africa, Middle East & Eastern Europe .....	39.6	43.7
Americas .....	79.1	85.6
Asia Pacific .....	28.1	31.1
Europe .....	74.8	81.0
	<b>221.6</b>	<b>241.4</b>

\*\* Unaudited.

### *Africa, Middle East & Eastern Europe*

Consolidated beer volume declined 9.2 per cent organically in 2020 mainly driven by South Africa, Russia, and Ethiopia. The premium portfolio outperformed the broader portfolio in most key markets other than South Africa and Rwanda.

Net revenue (beia) declined 9.5 per cent organically in 2020, with total consolidated volume down 9.1 per cent and net revenue (beia) per hectolitre down marginally. Price mix was up 2.2 per cent on a constant geographic basis driven by Nigeria, Ethiopia and the DRC. Currency translation negatively impacted net revenue (beia) by €267 million or 7.9 per cent mainly driven by the Nigerian Naira, the Russian Rouble and the South African Rand.

Operating profit (beia) declined 33.8 per cent organically in 2020 driven by South Africa, Russia and Egypt. Currency translation negatively impacted operating profit (beia) by €11 million or 2.7 per cent mainly due to the Ethiopian Birr and the Nigerian Naira..

### *Americas*

Consolidated beer volume declined 7.5 per cent organically in 2020 mainly driven by Mexico. The premium portfolio grew high-single-digit led by Heineken® in Brazil. The low- and non-alcoholic portfolio grew in the mid-teens mainly due to the strong performance of Heineken® 0.0. Non-beer volume declined 24.7 per cent. following the continued portfolio rationalisation of low-margin products in Brazil.

Net revenue (beia) declined 2.9 per cent organically in 2020, with total consolidated volumes down 9.1 per cent and net revenue (beia) per hectolitre up 6.9 per cent. Price mix was up 6.8 per cent on a constant geographic basis, driven by Brazil, Mexico and the USA. Unfavourable currency developments impacted net revenue by €896 million or 12.1 per cent, primarily driven by the Brazilian Real and the Mexican Peso.

Operating profit (beia) decreased by 4.8 per cent organically in 2020, with the decline in Mexico and Brazil partially offset by growth in the USA. Currency translation negatively impacted operating profit (beia) by €97 million or 8.1 per cent, primarily from Mexico and Brazil.

#### *Asia Pacific*

Consolidated beer volume declined 7.9 per cent organically in 2020, driven by overall beer market declines in Cambodia, Indonesia, and Malaysia. Premium volume declined high-single-digit mainly driven by Vietnam.

Net revenue (beia) declined 11.5 per cent organically in 2020, with net revenue (beia) per hectolitre down 4.0 per cent. Price mix was down 2.4 per cent on a constant geographic basis driven by the acceleration of the strategic shift towards mainstream and on-trade closures across the region. Currency translation negatively impacted net revenue by €53 million or 1.7 per cent, mainly from Vietnam.

Operating profit (beia) decreased 16.4 per cent organically in 2020 driven by Indonesia, Cambodia and Malaysia. Currency translation negatively impacted operating profit (beia) by €18 million or 1.7 per cent, primarily from Vietnam.

#### *Europe*

Consolidated beer volume declined by 8.2 per cent organically in 2020 as most countries reintroduced containment measures. On-trade beer volume decreased over 40 per cent, partially offset by a low teens increase in off-trade volumes. Third-party volume declined by 38.7 per cent as outlet closures materially impacted wholesale operations. The no-alcohol portfolio outperformed the market, led by the growth of Heineken® 0.0.

Net revenue (beia) decreased by 18.8 per cent organically in 2020 with net revenue (beia) per hectolitre down 9.0 per cent. Price mix was negatively impacted by channel and product mix resulting in a 5.4 per cent decrease on a constant geographic basis.

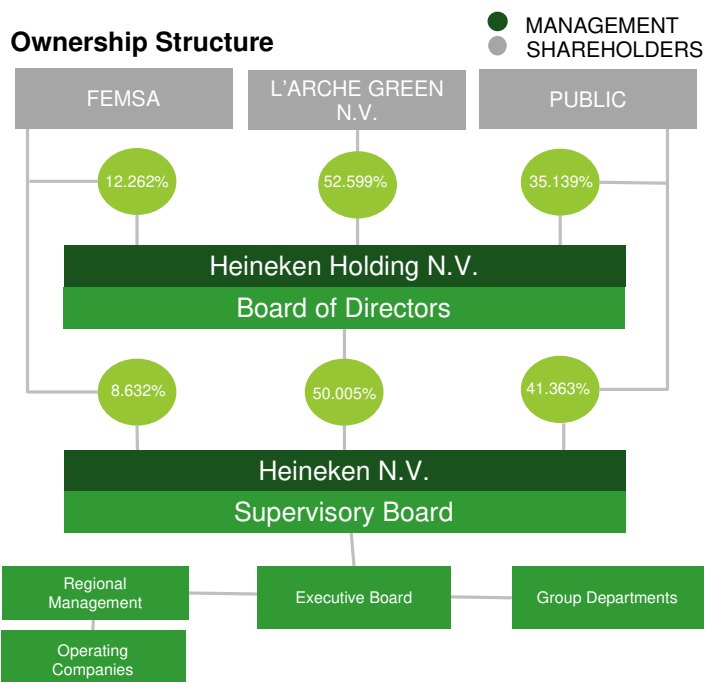
Operating profit (beia) decreased by 68.6 per cent organically in 2020, amplified by the volume decline in the on-trade.

### **Organisational Structure**

The organisational and ownership structure of Heineken Holding N.V. and the Issuer as at 31 December 2020 is outlined in the following chart:<sup>5</sup>

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<sup>5</sup> 35.139 per cent. of Heineken Holding N.V., which is owned by the "Public" in the organisational and ownership structure chart above, includes the 0.03 per cent. stakes held directly each by Mrs. C.L. de Carvalho-Heineken and Mr. Michel de Carvalho respectively. The figure of 41.363 per cent. includes shares held in treasury and the 0.02 per cent. stake held directly by Mr. Michel de Carvalho.



Together, the shares held by Fomento Económico Mexicano, S.A.B. de C.V. ("**FEMSA**") in Heineken Holding N.V. and in Heineken N.V. represent a 14.76 per cent. economic interest in the Heineken Group.

## Developments in 2020

### **Acquisitions and disposals**

No significant acquisitions took place in 2020.

### **Financing activity**

In 2020, the following notes were issued under the Euro Medium Term Note Programme:

- CHF100 million of privately placed 5-year notes with a coupon of 0.6375 per cent.
- €600 million of 5-year notes with a coupon of 1.625 per cent.
- €800 million of 10-year notes with a coupon of 2.25 per cent.
- €650 million of 13-year notes with a coupon of 1.25 per cent.
- €850 million of 20-year notes with a coupon of 1.75 per cent.

Heineken has a €2.0 billion Euro Commercial Paper ("ECP") programme to facilitate its cash management operations and to diversify its funding sources. There was €700 million in issue as at 31 December 2020.

Heineken has a €3.5 billion revolving credit maturing in May 2024. The facility is committed by a group of 19 banks and does not contain financial covenants. The facility was undrawn as at 31 December 2020.

### **Other**

On 28 October 2020, Heineken announced a review of the effectiveness and efficiency of its organisations at the head-office, the regional offices and each of the local operations. The overall restructuring programme will reduce the employee base by approximately 8,000 people, with a total restructuring charge of around €420 million and run-rate direct savings on personnel expenses of approximately €350 million. The timelines of restructuring will vary depending on the specific circumstances of each of the local operations, including a

reduction of the personnel costs at the head-office by a run-rate of approximately 20 per cent to be implemented at the end of the first quarter of 2021.

## Recent Developments

### *Executive Team*

On 8 March 2021, Heineken announced the appointment of Harold van den Broek as the new Chief Financial Officer and Executive Board member effective from 1 June 2021. Mr. Van den Broek is currently President Hygiene at RB (Reckitt Benckiser) and will succeed Laurence Debroux, who is currently the Chief Financial Officer and Executive Board member.

On 20 November 2020, Heineken announced the appointment of James Thompson as the new Chief Commercial Officer and Executive Team member effective from 1 March 2021. Mr. Thompson was the Head of Categories, Brand, Innovation and Stores at Avon and he succeeds Jan Derck van Karnebeek, who was previously the Chief Commercial Officer and Executive Team member.

On 3 November 2020, Heineken announced the appointment of Yolanda Talamo as the new Chief People Officer and Executive Team member effective from 1 January 2021. Mrs. Talamo succeeds Chris Van Steenberghe, who was previously the Chief Human Resources Officer and Executive Team member. Ms. Talamo joined Heineken in 2016 as Senior Vice President Human Resources at Heineken Americas.

### *Distribution Agreement in Brazil*

On 24 February 2021, Heineken, the Coca-Cola Company and the Coca-Cola System in Brazil have reached an agreement to redesign their longstanding distribution partnership in Brazil. As per the agreement, expected to become effective mid-2021, the parties will begin a smooth transition of the Heineken® and Amstel brands to Heineken Brazil's distribution network. The Coca-Cola System in Brazil will continue to offer Kaiser, Bavaria and Sol, and will complement this portfolio with premium brand Eisenbahn and other international brands. Subject to certain mutually-agreed upon terms established in the agreement, the Coca-Cola System in Brazil will be able to produce and distribute alcoholic beverages and other beers in a certain proportion to Heineken's portfolio and Heineken will be able to explore further opportunities in the non-alcoholic segment. The parties have agreed to an initial term until 31 December 2026 with automatic renewal for another 5-year term subject to the terms of the agreement. The agreement is subject to customary regulatory approvals. As part of the agreement, the parties have agreed to end the existing litigation between them relating to the previous distribution agreements.

## Material Contracts

Heineken has not entered into any material contracts which are not in the ordinary course of Heineken's business, and which could result in any Group member being under an obligation or entitlement that is material to Heineken's ability to meet its obligations to the Noteholders.

## Share Capital and Shareholders

The authorised share capital of the Issuer amounts to €2,500,000,000, divided into 1,562,500,000 ordinary shares with a nominal value of €1.60 each. In 2020, the average daily trading volume of Heineken shares was 730,451 shares. The issued share capital of the Issuer is divided into 576,002,613 ordinary shares with a nominal value of €1.60 each. All issued shares are fully paid up. The ordinary shares in the Issuer are listed on Euronext Amsterdam. In December 2012, the Issuer established a sponsored 'Level 1' American Depositary Receipt (ADR) programme<sup>6</sup> in order to facilitate the trading of Heineken stock in the US.

Pursuant to the Financial Supervision Act (*Wet op het financieel toezicht*) (the "**Financial Supervision Act**") and the Decree on Disclosure of Major Holdings and Capital Interests in Issuing Institutions (*Besluit melding zeggenschap en kapitaalbelang in uitgevende instellingen*) (the "**Decree on Disclosure of Major Holdings and Capital Interests**"), the Netherlands Authority for the Financial Markets (the "**AFM**") has been notified about the following substantial shareholdings regarding the Issuer:

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<sup>6</sup> On 27 January 2014, ADRs started to trade on OTCQX International Premier, a segment of the OTCQX marketplace reserved for non-U.S. companies that are listed on a qualified international exchange and provide their home country disclosure to US investors.

- Mrs. C.L. de Carvalho-Heineken (indirectly 50.005 per cent.; the direct 50.005 per cent. shareholder is Heineken Holding N.V.); and
- Voting Trust (FEMSA) (indirectly 8.63 per cent.; the direct 8.63 per cent. shareholder is CB Equity LLP).

#### *Heineken Holding N.V.*

The ordinary shares of Heineken Holding N.V. are listed on Euronext Amsterdam and a sponsored 'Level 1' ADR programme was established in the US in December 2012. In 2020, the average daily trading volume of Heineken Holding N.V. shares was 129,130 shares. The issued share capital of Heineken Holding N.V. consists of 288,030,168 ordinary shares with a nominal value of €1.60 each and 250 priority shares of €2.00 nominal value. Heineken Holding N.V. engages in no activities other than those relating to the ownership of the Issuer. Heineken Holding N.V. does not carry out any operational activities, unlike the Issuer and other companies in the Heineken Group.

The Issuer is responsible for the development and implementation of the strategy of Heineken, whereas Heineken Holding N.V. is concerned primarily with safeguarding the continuity, independence and stability of Heineken's activities in the long term.

The net asset values of the shares in the Issuer and the ordinary shares in Heineken Holding N.V. as well as the dividend policies of both companies are identical.

Pursuant to the Financial Supervision Act and the Decree on Disclosure of Major Holdings and Capital Interests, the AFM has been notified about the following substantial shareholdings regarding Heineken Holding N.V.:

- 24 January 2019: Lindsell Train Limited (a capital and voting interest of 5.02 per cent., held directly)
- 20 April 2018: Mrs C.L. de Carvalho-Heineken ((a capital and voting interest of 52.63 per cent.),<sup>7</sup>
- 30 April 2010: Voting Trust (FEMSA), through its affiliate CB Equity LLP ((a capital and voting interest of 14.94 per cent.)<sup>4</sup>

### **Management Structure**

The Issuer is managed by an Executive Board, currently comprised of two executive directors, which is supervised by a Supervisory Board. The Executive Board manages the Issuer by setting and achieving the operational and financial objectives of the Issuer, the strategy to achieve these objectives, the parameters to be applied in relation to the strategy (for example, in respect of the financial ratios), the company culture aimed at long-term value creation, the associated risk profile, the development of results and corporate social responsibility issues that are relevant to the company. It is the primary decision-making body within the Issuer.

The members of the Executive Board and the Supervisory Board are appointed by the General Meeting of Shareholders subject to non-binding nominations drawn up by the Supervisory Board. Members of the Executive Board and Supervisory Board are appointed for a maximum period of four years. A retiring member of the Supervisory Board may be reappointed, provided that the maximum term of office does not exceed twelve years. This restriction does not apply to: (i) relations by blood or affinity in the direct line of descent of Mr. A.H. Heineken, former chairman of the Executive Board; and (ii) persons that are also members of the Board of Directors of Heineken Holding N.V. The General Meeting of Shareholders resolves on all significant corporate matters within Heineken.

The two members of the Executive Board, the four Regional Presidents and five Chief Officers together form the Executive Team. The Executive Team is the highest consultative body within the Issuer. It supports the development of policies and ensures effective implementation of the key priorities and strategies across the organisation. The members of the Executive Team are accountable for the global agendas for their particular function and are business partners for Heineken's operating companies.

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<sup>7</sup> The AFM register for substantial shareholdings is no longer up-to-date. For the actual shareholding percentages, reference is made to the chart under "Organisational Structure" above.



## Executive Board

The current members of the Executive Board of Heineken are:

<i>Name (Year of Birth)</i>	<i>Function/responsibilities</i>	<i>Directorships in Dutch stock listed companies and other significant positions external to the Heineken Group<sup>(1)</sup></i>
Dolf van den Brink (1973)	Chairman/CEO Appointed in 2020	N/A
Laurence Debroux (1969) <sup>8</sup>	Member/CFO Appointed in 2015, last reappointed in 2019	Supervisory directorships: – EXOR Holding N.V, Netherlands  Other: – Novo Nordisk, Denmark – HEC (Ecole des Hautes Etudes Commerciales) Paris, France

## Supervisory Board

The current members of the Supervisory Board of Heineken are:

<i>Name (Year of Birth)</i>	<i>Function/responsibilities</i>	<i>Directorships in Dutch stock listed companies and other significant positions external to the Heineken Group<sup>(1)</sup></i>
Jean Marc (J.M.) Huët (1969)	Appointed in 2014; Chairman as of 2019; latest reappointment in 2018  Chairman of the Preparatory Committee and the Selection & Appointment Committee; Member of the Audit Committee and the Remuneration Committee	Profession: Company Director Supervisory directorships: – Vermaat Groep B.V. Other: – Canada Goose Incorporated – Bridgepoint
Jose Antonio (J.A.) Fernández Carbajal (1954)	Vice-Chairman Appointed in 2010; latest reappointment in 2018  Chairman of Sustainability & Responsibility Committee; Member of the Preparatory Committee and the Selection & Appointment Committee	Profession: Executive Chairman of Fomento Económico Mexicano S.A.B. de C.V. (FEMSA) Supervisory directorships: – Heineken Holding N.V. Other: – Coca-Cola Femsa S.A.B. de C.V. (Chairman)

<sup>8</sup> Mrs. Laurence Debroux will step down as CFO upon the conclusion of the Annual General Meeting in 2021.

<i>Name (Year of Birth)</i>	<i>Function/responsibilities</i>	<i>Directorships in Dutch stock listed companies and other significant positions external to the Heineken Group<sup>(1)</sup></i>
		<ul style="list-style-type: none"> <li>– Tecnológico de Monterrey (Chairman)</li> <li>– Industrias Peñoles S.A.B. de CV (Board Member)</li> <li>– MIT Corporation (Term Member)</li> </ul>
Maarten (M.) Das (1948)	Appointed in 1994, last reappointed in 2017  Delegated Member <sup>(2)</sup>  Chairman of the Remuneration Committee; Member of the Preparatory Committee and the Selection & Appointment Committee	Profession: Lawyer  Supervisory directorships: <ul style="list-style-type: none"> <li>– Heineken Holding N.V. (Chairman)</li> </ul> Other positions: <ul style="list-style-type: none"> <li>– L'Arche Green N.V. (Chairman)</li> <li>– L'Arche Holding B.V.</li> </ul>
Michel (M.R.) de Carvalho (1944)	Appointed in 1996, latest reappointment in 2019  Member of the Preparatory Committee, the Selection & Appointment Committee, the Remuneration Committee and the Sustainability & Responsibility Committee	Profession: Chairman Capital Generation Partners  Other positions: <ul style="list-style-type: none"> <li>– Heineken Holding N.V. (Executive Director)</li> <li>– L'Arche Green N.V.</li> </ul>
Christophe Navarre (1958) <sup>9</sup>	(V.C.O.B.J.) Appointed in 2009, latest reappointment in 2017	Profession: Chairman of Neptune International
Javier (J.G.) Astaburuaga Sanjinés (1959)	Appointed in 2010; latest reappointment in 2018  Member of the Audit Committee	Profession: Senior Vice President Corporate Development Fomento Económico Mexicano S.A.B. de C.V. (FEMSA)  Other: <ul style="list-style-type: none"> <li>– Coca-Cola Femsas S.A.B. de C.V.</li> <li>– Fomento Económico Mexicano S.A.B. de C.V. (FEMSA)</li> <li>– Fundación Femsas and Acosta Verde S.A. de C.V.</li> </ul>
Pamela (P.) Mars Wright (1960)	Appointed in 2016; latest reappointment in 2020	Profession: Company Director

<sup>9</sup> Mr. Christophe Navarre will reach his maximum tenure upon conclusion of the Annual General Meeting in 2021.

<u>Name (Year of Birth)</u>	<u>Function/responsibilities</u>	<u>Directorships in Dutch stock listed companies and other significant positions external to the Heineken Group<sup>(1)</sup></u>
	Member of the Sustainability & Responsibility Committee and the Selection & Appointment Committee	Supervisory directorships: – SHV Holdings N.V. Other: – Johns Hopkins International Medicine
Marion (M.) Helmes (1965)	Appointed in 2018 Chair of the Audit Committee	Profession: Company Director Other: – British American Tobacco – Prosiebensat.1 Media – Siemens Healthineers AG
Rosemary (R.L.) Ripley (1954)	Appointed in 2019 Member of the Remuneration Committee and the Sustainability & Responsibility Committee	Profession: Managing Director at NGEN Other: – Livingston Ripley Waterfowl Conservancy – Yale Center for Business and the Environment – Economic Club of New York – Zevia LLC – Hyla Mobile – Nlyte Software Ltd.
Helen (I.H.) Arnold (1968)	Appointed in 2019 Member of the Audit Committee	Profession: President Data Network at SAP Other: – TUI AG

*Notes:*

<sup>(1)</sup> Only significant directorships and other positions are listed here.

<sup>(2)</sup> Appointed by the General Meeting as Delegated Member. The Supervisory Board intends to effect a more intensive supervision and advice and more regular consultation with the Executive Board by having a delegated member.

Heineken will make non-binding nominations for Mr Maarten Das' re-appointment and the new appointment of Mr Nitin Paranjpe as members of the Supervisory Board of Heineken N.V. Both appointments will be for a four-year term and subject to shareholder approval at the Annual General Meeting in 2021 ('the 2021 AGM').

Mr Paranjpe, Chief Operating Officer of Unilever, will be the successor for Mr Christophe Navarre, who will reach his maximum tenure upon conclusion of the 2021 AGM.

In December 2020, the Supervisory Board decided to install a Sustainability & Responsibility Committee to increase the focus and oversight of the overall Heineken strategy and performance related to environmental sustainability, social sustainability and responsible consumption. This Committee comprises Mr Fernández Carbajal (Chairman), Mr de Carvalho, Mrs Mars Wright, Mrs Ripley and upon his appointment by the 2021 AGM, Mr Paranjpe. Consequently, the Supervisory Board decided to discontinue and absorb the Americas Committee's responsibilities and supervise all regions alike going forward.

The business address of all of the members of the Supervisory Board and the Executive Board is Tweede Weteringplantsoen 21, 1017 ZD, Amsterdam, the Netherlands.

Heineken is not aware of any potential conflicts of interest between the duties to Heineken of the persons listed as members of the Executive Board or the Supervisory Board above and their private interests or other duties.

## TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date. The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

### NETHERLANDS TAXATION

#### General

This Netherlands Taxation section is intended as general information only and it does not present any comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a Noteholder. For Dutch tax purposes, a Noteholder may include an individual who or an entity that does not have the legal title of the Notes, but to whom nevertheless the Notes are attributed, based either on such individual or entity owning a beneficial interest in the Notes or based on specific statutory provisions. These include statutory provisions pursuant to which Notes are attributed to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the Notes.

This paragraph is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date hereof, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

For the purpose of this paragraph, "**Dutch Taxes**" shall mean taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities. The Netherlands means the part of the Kingdom of the Netherlands located in Europe.

The statements below are based on the assumption that the Final Terms of any Series of Notes will not materially deviate from the Terms and Conditions as described in this Base Prospectus, in particular with regard to the status and ranking of the Notes.

#### Withholding Tax

Any payments made under the Notes will not be subject to – except in certain very specific cases as described below - withholding or deduction for, or on account of, any Dutch Taxes, provided that the Notes will not be issued under such terms and conditions that the Notes actually function as equity of the Issuer within the meaning of section 10 subsection 1 under d of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Dutch withholding tax may apply on certain (deemed) interest due and payable to an affiliated (*gelieerde*) entity of the Issuer if such entity (i) is considered to be resident of 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*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another (lower-tier) entity as the recipient of the interest (hybrid mismatch), or (v) is not treated as resident in any jurisdiction (also a hybrid mismatch), all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*). Provided that no payments of interest are made by the Issuer under a Note to an entity affiliated to the Issuer that meets one of the conditions as stated under (i) – (v) above, payments of interest made by the Issuer under a Note shall not become subject to withholding tax on the basis of the Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

#### Taxes on income and capital gains

This section does not describe the possible Dutch tax considerations or consequences that may be relevant to a Noteholder:

- (i) who has a (fictitious) substantial interest (*aanmerkelijk belang*) in the Issuer within the meaning of chapter 4 of the Dutch Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*);
- (ii) who is an individual and for who the income or capital gains derived from the Notes are attributable to employment activities, the income from which is taxable in the Netherlands;
- (iii) that is an entity which is, pursuant to the Dutch Corporate income tax act 1969 (*Wet op de vennootschapsbelasting 1969*, "**CITA**"), not subject to Dutch corporate income tax or are in full or in part exempt from Dutch corporate income tax (such as pension funds);
- (iv) that is an investment institution (*beleggingsinstelling*) as described in article 6a or 28 CITA; or
- (v) that is an entity resident in Aruba, Curaçao or Sint Maarten which carries on an enterprise on Bonaire, Sint Eustatius or Saba through a permanent establishment (*vaste inrichting*) or permanent representative (*vaste vertegenwoordiger*) on Bonaire, Sint Eustatius or Saba to which permanent establishment, or permanent representative, the Notes are attributable.

(a) **Residents in the Netherlands**

The description of certain Dutch tax consequences in this paragraph is only intended for the following Noteholders:

- (i) Individuals who are resident or deemed to be resident in the Netherlands for Dutch income tax purposes ("**Dutch Individuals**"); and
- (ii) entities that are subject to the CITA and are resident or deemed to be resident in The Netherlands for Dutch corporate income tax purposes, ("**Dutch Corporate Entities**").

*Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities*

Dutch Individuals are generally subject to income tax at statutory progressive rates with a maximum of 49.50 per cent. (2021) with respect to any benefits derived or deemed to be derived from the Notes (including any capital gains realised on the disposal thereof) that are either attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), or attributable to miscellaneous activities (*resultaat uit overige werkzaamheden*), including, without limitation, activities which are beyond the scope of active portfolio investment activities.

*Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities*

Generally, a Dutch Individual who holds Notes (i) that are not attributable to an enterprise from which he derives profits as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise other than as an entrepreneur or a shareholder, and (ii) from which he derives benefits which are not taxable as benefits from miscellaneous activities, will be subject annually to an income tax imposed on a fictitious yield on such Notes. The Notes held by such Dutch Individual will be taxed under the regime for savings and investments (*inkomen uit sparen en beleggen*). Irrespective of the actual income or capital gains realised, the annual taxable benefit of all the assets and liabilities of a Dutch Individual that are taxed under this regime, including the Notes, is set at a deemed return. The deemed return is between 1.90 per cent. and 5.69 per cent. (2021) (the applicable deemed return depends on the amount of such Dutch individual's net investments assets for the year) of the fair market value of the assets reduced by the liabilities and by certain allowances and measured, in general, at the beginning of every calendar year. The tax rate under the regime for savings and investments is a flat rate of 31 per cent. (2021).

*Dutch Corporate Entities*

Dutch Corporate Entities are generally subject to corporate income tax at the statutory rate of 25 per cent. (2021) with respect to any benefits derived or deemed to be derived (including any capital gains realised on the disposal thereof) of the Notes. A reduced rate of 15 per cent. applies to the first EUR 245,000 of taxable profits.

(b) **Non-residents in the Netherlands**

A Noteholder who is not a Dutch Individual and that is not a Dutch Corporate Entity will not be subject to any Dutch Taxes on income or capital gains in respect of the ownership and disposal of the Notes, except if:

- (i) the Noteholder, whether an individual or not, derives profits from an enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise other than as an entrepreneur or a shareholder, which enterprise is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, to which the Notes are attributable;
- (ii) the Noteholder is an individual and derives benefits from miscellaneous activities carried out in the Netherlands in respect of the Notes, including (without limitation) activities which are beyond the scope of active portfolio investment activities;
- (iii) the Noteholder is not an individual and is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise which enterprise is effectively managed in the Netherlands and to which enterprise the Notes are attributable; or
- (iv) the Noteholder is an individual and is, other than by way of securities, entitled to a share in the profits of an enterprise, that is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

**Gift and Inheritance Tax**

No Dutch gift tax or inheritance tax is due in respect of any gift of the Notes by, or inheritance of the Notes on the death of, a Noteholder, except if:

- (a) at the time of the gift or death of the Noteholder, the Noteholder is resident, or is deemed to be resident, in the Netherlands;
- (b) the Noteholder passes away within 180 days after the date of the gift of the Notes and is not, or not deemed to be, at the time of the gift, but is, or deemed to be, at the time of his death, resident in the Netherlands;
- (c) the gift of the Notes is made under a condition precedent and the Noteholder is resident, or is deemed to be resident, in the Netherlands at the time the condition is fulfilled.

For purposes of Dutch gift and inheritance tax, an individual who is of Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of Dutch gift tax, any individual, irrespective of his nationality, will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the 12 months preceding the date of the gift.

**Other Taxes and Duties**

No other Dutch Taxes, including Value Added Tax (*Omzetbelasting*) and taxes of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by or on behalf of a Noteholder by reason only of the issue, acquisition or transfer of the Notes.

**FOREIGN ACCOUNT TAX COMPLIANCE ACT**

Sections 1471 through 1474 of the U.S. Internal Revenue Code (the "**Code**"), an agreement entered into with the U.S. Internal Revenue Service ("**IRS**") pursuant to Section 1471(b)(1) of the Code, or an intergovernmental agreement in furtherance of such Sections of the Code, including any laws, regulations or

guidance implementing such an intergovernmental agreement ("**FATCA**") impose a reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that, unless exempt or deemed to be in compliance with FATCA, does not become a "**Participating FFI**" by entering into an agreement with the IRS to provide the IRS with certain information in respect of its account holders and investors and (ii) any investor (unless otherwise exempt from FATCA) that does not provide tax certifications and information regarding itself, and in some cases, about its owners or, where applicable, a waiver of any laws prohibiting the disclosure of such information to a taxing authority (a "**Recalcitrant Holder**").

Withholding applies currently to payments of United States source income and is expected to apply to "foreign passthru payments" (a term not yet defined) no earlier than the date that is two years after the date on which final U.S. Treasury regulations defining foreign passthru payments are published in the U.S. Federal Register. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal income tax purposes that are not outstanding on the "grandfathering date", which is the date that is 6 months after the publication of final U.S. Treasury regulations defining the term "foreign passthru payments", or which are significantly modified after the grandfathering date (including by reason of a substitution of the Issuer) and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal income tax purposes, whenever issued. However, if additional Notes of the same series are issued after the grandfathering date that are not distinguishable from Notes issued on or before grandfathering date and are subject to withholding under FATCA, then the additional Notes may not be treated as grandfathered and withholding agents may treat all Notes, including Notes issued on or before the grandfathering date, as subject to FATCA withholding.

Potential investors should be aware that the effective date for withholding on foreign passthru payments noted above reflects recently proposed U.S. Treasury regulations ("**Proposed FATCA Regulations**") which delay the effective date for withholding on such payments. The effective date for withholding on foreign passthru payments otherwise would have been the date on which final U.S. Treasury regulations defining the term "foreign passthru payments" are published. The U.S. Treasury have indicated that taxpayers may rely on the Proposed FATCA Regulations until final regulations are issued. The discussion above assumes that the Proposed FATCA Regulations will be finalised in their current form. No assurance can be given that the Proposed FATCA Regulations will be finalised in their current form.

The United States and a number of other jurisdictions have negotiated intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). An FFI in an IGA signatory country could be treated as a Reporting FI not subject to withholding under FATCA on any payments it receives, provided that the FFI complies with certain reporting and withholding obligations delineated in the applicable IGA. A Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the Netherlands entered into a "Model 1" IGA on 18 December 2013. The Netherlands has implemented the IGA between the Netherlands and the United States into Dutch legislation with effect from 1 January 2015.

The Issuer and financial institutions through which payments on the Notes are made may be required to withhold under FATCA if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder. If an amount in respect of FATCA withholding were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the Terms and Conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. In addition, the Issuer or a financial institution through which payments on the Notes are made may be required to force the transfer of Notes (or interests therein) held by such an FFI or a Recalcitrant Holder.

Whilst the Notes are in global form and held within the clearing systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the Common Depositary or Common Safekeeper, given that each of the entities in the payment chain between the Issuer and ending with the participants in the clearing systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may be converted into definitive form and therefore that they may be taken out of the clearing



systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA withholding. However, definitive Notes will only be printed in remote circumstances.

FATCA is particularly complex and the above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change. Prospective investors should consult with their own advisors about how FATCA may affect an investment in the Notes.

### **THE PROPOSED FINANCIAL TRANSACTIONS TAX**

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain participating Member States may decide not to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of the Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, the Dealers are set out in a Dealer Agreement dated 8 March 2021 (such Dealer Agreement as modified and/or supplemented and/or restated from time to time, the "**Dealer Agreement**") and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination or appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

**United States of America:** *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms.*

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 or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes 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 Code and U.S. Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the completion of the distribution of the Notes comprising the relevant Tranche, other than in accordance with Rule 903 of Regulation S under the Securities Act and, accordingly, that (1) neither it nor any of its affiliates (including any person acting on behalf of such Dealer or any of its affiliates) has engaged or will engage in any directed selling efforts with respect to the notes and (ii) it and its affiliates will comply with the offering restrictions requirement of Regulation S under the Securities Act, 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. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of 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.

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

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, 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 EEA. 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 Directive (EU) 2016/97 (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.

If the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

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

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

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

## **United Kingdom**

### ***Prohibition of sales to UK Retail Investors***

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, 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 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 domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; 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.

If the Final Terms in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms

in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (i) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression an “**offer of Notes to the public**” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

#### **Other regulatory restrictions**

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that:

- (a) **No deposit-taking:** in relation to any Notes having 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:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) 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) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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) **General compliance:** 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 UK.

#### **France**

Each Dealer has represented and agreed, and each further Dealer will be required to represent and agree, that it has only offered or sold and will only offer or sell, directly or indirectly, Notes in France to qualified investors (*investisseurs qualifiés*) as defined in Article L.411-2 1° of the French Code *monétaire et financier* and it has only distributed or caused to be distributed and will only distribute or cause to be distributed in

France to such qualified investors this Base Prospectus, any Final Terms or any other offering material relating to the Notes.

### The Netherlands

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 firm of Euronext Amsterdam in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of 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) in respect of the transfer and acceptance 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 a 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 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. As used herein, "**Zero Coupon Notes**" are 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.

### Singapore

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 the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the "**Securities and Futures Act**"). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act), pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) 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 is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes pursuant to an offer under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act; or
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the Securities and Futures Act; or

- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(2), 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.

*SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, prior to making any offering of Notes, the Issuer shall make a determination in relation to each issue of Notes, and notify all relevant persons (as defined in Section 309A(1) of the SFA), whether the Notes are (i) either 'prescribed capital markets products' (as defined in the CMP Regulations 2018) or capital markets products other than 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and (ii) either 'Excluded Investment Products' or 'Specified 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).*

## **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 "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, 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 re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **Switzerland**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that: (i) the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act dated 15 June 2018 (the "**FinSA**") and will not be admitted to trading on a trading venue (exchange or multilateral trading facility) in Switzerland; (ii) neither this Base Prospectus nor any Final Terms nor any other offering or marketing material relating to any Notes (x) constitutes a prospectus as such term is understood pursuant to the FinSA or (y) has been or will be filed with or approved by a Swiss review body pursuant to article 52 of the FinSA; and (iii) neither this Base Prospectus nor any Final Terms nor other offering or marketing material relating to any Notes may be publicly distributed or otherwise made publicly available in Switzerland.

## **General**

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it has complied and will comply, to the best of its knowledge and belief, in all material respects, with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the preceding paragraph.

## GENERAL INFORMATION

### 1. Listing and Admission to Trading

Application has been made for Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange.

However, Notes may be issued which will not be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system, or which will be admitted to listing, trading and/or quotation on such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.

### 2. Authorisation

The establishment of the Programme was authorised by resolutions of the Executive Board of the Issuer passed on 25 August 2008 and resolutions of the Supervisory Board of the Issuer passed on 4 September 2008. The increase of the size of the Programme to €20,000,000,000 was authorised by resolutions of the Executive Board of the Issuer passed on 20 February 2019. The update of the Programme on the date hereof was authorised by resolutions of the Executive Board of the Issuer passed on 9 February 2021. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

### 3. Legal and Arbitration Proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had, during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer or the Heineken Group.

### 4. Significant/Material Adverse Change

Since 31 December 2020, there has been no material adverse change in the prospects of the Issuer and no significant change in the financial performance or trading position of the Heineken Group other than as disclosed in the paragraph entitled '2021 Outlook Statements' in the press release published by the Issuer on 10 February 2021 entitled "*Heineken N.V. reports 2020 full year results and shares updates on "EverGreen" strategic review*".

### 5. Auditors

The consolidated financial statements of the Issuer for the financial years ended 31 December 2020 and 31 December 2019 have been audited without qualification by Deloitte Accountants B.V., Gustav Mahlerlaan 2970, 1081 LA Amsterdam, the Netherlands, independent accountants. Each audit partner of Deloitte Accountants B.V. is a member of the Royal Dutch Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

### 6. Documents on Display

Copies of the following documents (together with English translations thereof) may be inspected during normal business hours at the specified offices of the Paying Agent for the time being in Luxembourg for 12 months from the date of this Base Prospectus. In accordance with the Prospectus Regulation, copies, when published, of the following documents listed under (b) and (f) below will be available on <https://www.theheinekencompany.com/investors>:

- (a) the constitutional documents of the Issuer (also available at <https://www.theheinekencompany.com/investors/governance/articles-association>);
- (b) the audited annual consolidated financial statements of the Issuer for the financial years ended 31 December 2020 and 31 December 2019;

- (c) the Agency Agreement;
- (d) the Programme Manual;
- (e) the Issuer-ICSDs Agreement;
- (f) this Base Prospectus, any supplement to this Base Prospectus, each document incorporated by reference in this Base Prospectus from time to time and each Final Terms (save that Final Terms relating to Notes which are neither admitted to trading on a regulated market in the EEA, nor offered (i) in the EEA or (ii) in the UK in circumstances where a prospectus is required to be published under the Prospectus Regulation or the UK Prospectus Regulation, as the case may be will only be available for inspection by a holder of such Notes and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of Notes and identity); and
- (g) the most recent certificate listing the Issuer's Material Subsidiaries as referred to in Condition 9 (*Events of Default and Enforcement*) of the Terms and Conditions of the Notes.

In addition, copies of this Base Prospectus, any supplement to this Base Prospectus, each document incorporated by reference in this Base Prospectus from time to time and each Final Terms relating to Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market will also be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## 7. Pricing

The price and nominal amount of the Notes of any Tranche to be issued will be determined by the Issuer and the relevant Dealer(s) at the time of issue thereof in accordance with the prevailing market conditions.

## 8. Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Series will be specified in the relevant Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

## 9. Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer and its affiliates in the ordinary course of business.

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. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such 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 securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. 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.



10. **ISDA Definitions**

In the case of Floating Rate Notes for which ISDA Determination is specified in the applicable Final Terms, investors should consult the Issuer if they require an explanation of the relevant ISDA Definitions.

11. **BNP Paribas Branch Information**

BNP Paribas Securities Services Luxembourg Branch, being part of a financial group providing client services with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg.

Further information on the international operating model of BNP Paribas Securities Services Luxembourg Branch may be provided upon request.

## GLOSSARY

In this Base Prospectus, Heineken uses the following financial measures in the analysis of its business and financial position, which Heineken considers to constitute Alternative Performance Measures for the purposes of the ESMA Guidelines on Alternative Performance Measures. Such financial measures are not calculated in accordance with IFRS and are unaudited. Accordingly, they should not be considered as alternatives to 'results from operating activities' or 'profits' as indicators of Heineken's performance. However, Heineken believes that such financial measures are commonly used by investors and as such useful for disclosure. The presentation of these financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated.

<b>Beia</b>	Before exceptional items and amortisation of acquisition-related intangible assets.
<b>EBITDA</b>	Earnings before interest, taxes, net finance expenses, depreciation and amortisation. EBITDA includes Heineken's share in net profit of joint ventures and associates.
<b>Net debt</b>	Non-current and current interest bearing loans and borrowings, bank overdrafts and commercial papers and market value of cross-currency interest rate swaps less cash and cash equivalents.
<b>Net debt/EBITDA (beia) ratio</b>	The ratio is based on a twelve month rolling calculation for EBITDA (beia). The ratio includes acquisitions and excludes disposals on a 12 month pro-forma basis.
<b>Operating profit (beia)</b>	Operating profit before exceptional items and amortisation of acquisition-related intangible assets.
<b>Organic growth</b>	Growth excluding the effect of foreign currency translational effects, consolidation changes, exceptional items and amortisation of acquisition-related intangible assets.
<b>Organic revenue</b>	Growth in revenue, excluding the effect of foreign currency translational effects, consolidation changes, exceptional items and amortisation of acquisition-related intangible assets.
<b>Top line growth</b>	Growth in net revenue.

### *Definitions of other terms and phrases used in this Base Prospectus*

<b>Acquisition-related intangible assets</b>	Acquisition-related intangible assets are assets that Heineken only recognises as part of a purchase price allocation following an acquisition. This includes, among others, brands, customer-related and certain contract-based intangibles.
<b>Consolidation changes</b>	Changes as a result of business combinations or disposals.
<b>Exceptional items</b>	Items of income and expense of such size, nature or incidence, that in the view of management their disclosure is relevant to explain the performance of Heineken for the period.
<b>Net profit</b>	Profit after deduction of non-controlling interests (profit attributable to equity holders of the Issuer).
<b>Operating profit</b>	Results from operating activities.
<b>Organic volume growth</b>	Growth in volume, excluding the effect of consolidation changes.

<b>Profit</b>	Total profit of the Group before deduction of non-controlling interests.
<b>®</b>	All brand names mentioned herein, including those brand names not marked by an ®, represent registered trademarks and are legally protected.
<b>Region</b>	A region is defined as Heineken's managerial classification of countries into geographical units.
<b>Net revenue</b>	<p><i>Net revenue</i></p> <p>Revenue as defined in IFRS 15 (after discounts) minus the excise tax expense for those countries where the excise is borne by Heineken</p> <p><i>Net revenue/hl</i></p> <p>Net revenue per hectolitre.</p>
<b>Net revenue (beia)</b>	Net revenue before exceptional items and amortisation of acquisition-related intangible assets
<b>Volume</b>	<p><i>(Consolidated) beer volume</i></p> <p>100 per cent. of beer volume produced and sold by consolidated companies.</p> <p><i>Group beer volume</i></p> <p>Consolidated beer volume plus attributable share of beer volume from joint ventures and associates.</p> <p><i>Heineken® volume</i></p> <p>100 per cent. of beer volume sold of the Heineken® brand by consolidated companies, joint ventures and associates and produced and sold under licence by third parties.</p> <p><i>Total volume</i></p> <p>100 per cent. of volume produced and sold by consolidated companies (including beer, cider, soft drinks and other beverages), volume of third party products and volume of Heineken's brands produced and sold under licence by third parties.</p>

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**REGISTERED OFFICE OF THE ISSUER**

**Heineken N.V.**  
Tweede Weteringplantsoen 21  
1017 ZD Amsterdam  
The Netherlands

**FISCAL AGENT, PAYING AGENT AND CALCULATION AGENT**

**BNP Paribas Securities Services, Luxembourg Branch**  
60 avenue J.F. Kennedy  
L-1855 Luxembourg

**LEGAL ADVISERS**

*To the Issuer as to Dutch law:*

**Simmons & Simmons LLP**  
Claude Debussylaan 247  
1082 MC Amsterdam  
The Netherlands

*To the Dealers as to Dutch law:*

**Linklaters LLP**  
World Trade Centre  
Zuidplein 180  
1077 XV Amsterdam  
The Netherlands

**AUDITORS TO THE ISSUER**

**Deloitte Accountants B.V.**  
Gustav Mahlerlaan 2970  
1081 LA Amsterdam  
The Netherlands

**LISTING AGENT**

**BNP Paribas Securities Services,  
Luxembourg Branch**  
60 avenue J.F. Kennedy  
L-1855 Luxembourg

**ARRANGER**

**Credit Suisse Securities Sociedad de Valores S.A.**

Calle de Ayala, 42  
28001 Madrid  
Spain

**DEALERS**

**ABN AMRO Bank N.V.**

Gustav Mahlerlaan 10  
1082 PP Amsterdam  
The Netherlands

**Barclays Bank Ireland PLC**

One Molesworth Street  
Dublin 2  
D02 RF29  
Ireland

**BNP Paribas**

16, boulevard des Italiens  
75009 Paris  
France

**Citigroup Global Markets Europe AG**

Reuterweg 16  
60323 Frankfurt am Main  
Germany

**Credit Suisse Securities Sociedad de Valores  
S.A.**

Calle de Ayala, 42  
28001 Madrid  
Spain

**HSBC Continental Europe**

38, avenue Kléber  
75116 Paris  
France

**ING Bank N.V.**

Foppingadreef 7  
1102 BD Amsterdam  
The Netherlands

**J.P. Morgan AG**

Taunustor 1 (TaunusTurm)  
60310 Frankfurt am Main  
Germany

EMEA2: 20495485