SECURITIES NOTE DATED 25 JANUARY 2024

Van Lanschot Kempen N.V.

(incorporated under the laws of the Netherlands with limited liability and having its statutory seat in 's-Hertogenbosch, the Netherlands)

constituting part of the prospectus consisting of separate documents in relation to its

€100,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resettable Callable Capital Securities

Issue Price: 100 per cent.

€100,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resettable Callable Capital Securities (the **Capital Securities**) will be issued by Van Lanschot Kempen N.V.(the **Issuer**). The issue price of the Capital Securities is 100 per cent. of their Original Principal Amount (as defined in Condition 1 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below). The Capital Securities will constitute unsecured and deeply subordinated obligations of the Issuer, ranking *pari passu* without any preference among themselves, as described in Condition 3 (*Status of the Capital Securities*) in "*Terms and Conditions of the Capital Securities*" below.

Together with the registration document of the Issuer dated 8 May 2023, as supplemented on 31 August 2023, 4 December 2023 and 2 January 2024 (the **Registration Document**), this Securities Note (the **Securities Note**) forms part of the Issuer's prospectus consisting of separate documents within the meaning of Article 6(3) of Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**) (the Registration Document together with this Securities Note, the **Prospectus**).

The Capital Securities will bear interest on their Prevailing Principal Amount (as defined in Condition 1 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below), payable (subject to cancellation as described below) semi-annually in arrear on 1 April and 1 October in each year (each an **Interest Payment Date**), from (and including) 29 January 2024 (the **Issue Date**) to (but excluding) 1 October 2029 (the **First Reset Date**) at the fixed rate of 8.875 per cent. per annum. The rate of interest will reset on the First Reset Date and on each fifth anniversary thereafter (each a **Reset Date**). The Issuer may, in its sole discretion, elect to cancel the payment of interest on the Capital Securities (in whole or in part), and it will be required to cancel the payment of interest, including Additional Amounts thereon, where applicable, on the Capital Securities to the extent that the Distributable Items are, or the Maximum Distributable Amount then applicable to the Issuer is, insufficient or at the order of the Competent Authority. As a result, holders of Capital Securities (**Holders**) may not receive interest on any Interest Payment Date. Interest that is cancelled will not be due on any subsequent date, and the non-payment will not constitute a default by the Issuer. See Condition 4 (*Interest and interest cancellation*) in "*Terms and Conditions of the Capital Securities*" below.

The Prevailing Principal Amount of the Capital Securities will be written down if at any time the Issuer CET1 Ratio falls or remains below 5.125 per cent. as determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority (all as defined in Condition 1 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below). Holders may lose some or substantially all of their investment in the Capital Securities as a result of such a write-down. Following such reduction, the Prevailing Principal Amount may, at the Issuer's discretion, be written-up to the Original Principal Amount if certain conditions are met. See Condition 8 (*Principal Write-down and Principal Write-up*) in "*Terms and Conditions of the Capital Securities*" below. In addition, the Capital Securities may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the relevant Resolution Authority) that (a) all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off or otherwise be applied to absorb losses, (such loss absorption, Statutory Loss Absorption), subject to write-up by the Resolution Authority or (b) all or part of the nominal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be converted into CET1 instruments (such conversion, Recapitalisation) all as prescribed by the Applicable Resolution Framework (see Condition 9 (*Statutory Loss Absorption or Recapitalisation*) in "*Terms and Conditions of the Capital Securities*" below).

The Capital Securities have no fixed maturity and Holders do not have the right to call for their redemption. As a result, the Issuer is not required to make any payment of the principal amount of the Capital Securities at any time prior to its winding-up or insolvency. The Issuer may, at its option, redeem all, but not some only, of the Capital Securities on (i) any calendar day during the period commencing on (and including) 1 April 2029 (the **First Call Date**) to (and including) the First Reset Date and (ii) each Interest Payment Date after the First Reset Date at their Prevailing Principal Amount plus accrued and unpaid interest (see Condition 6 (*Redemption and Repurchase*) in "*Terms and Conditions of the Capital Securities*" below). The Issuer may also, at its option, redeem all, but not some only, of the Capital Securities at any time at their Prevailing Principal Amount plus accrued and unpaid interest (i) (if any) upon the occurrence of a Tax Event or a Capital Event (each as defined in Condition 1 (*Definitions*) in "*Terms and Conditions of the Capital Securities*" below) and (ii) if 75 (seventy-five per cent.) or more of the Capital Securities originally issued has been purchased and cancelled at the time of such election. Any optional redemption of Capital Securities by the Issuer will be subject to the general conditions to redemption as set out in Condition 6.7 (*Conditions for Redemption and Repurchase*) in "*Terms and Conditions of the Capital Securities*" below. If a Tax Event or a Capital Event has occurred and is continuing, the Issuer may substitute all of the Capital Securities or vary the terms of all of the Capital Securities, without the consent or approval of Holders provided that they become or remain compliant with applicable regulatory capital rules.

Amounts payable under the Capital Securities are calculated by reference to the mid-swap rate for euro swaps with a term of 5 years which appears on the Reuters screen "ICESWAP2" as of 11:00 a.m. (Central European time) on such Reset Rate of Interest Determination Date (as defined in the Conditions) which is provided by ICE Benchmark Administration Ltd (**IBA**) and by reference to EURIBOR, which is provided by the European Money Markets Institute (**EMMI**). As at the date of this Securities Note, EMMI is included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Regulation (EU) No. 2016/1011 (the **EU Benchmark Regulation**) and IBA is exempt from registration as third-country

benchmark administrator until 31 December 2023, pursuant to article 51(5) of the EU Benchmark Regulation with a possible further extension of the transitional period until 31 December 2025 at the latest.

An investment in Capital Securities involves certain risks. Prospective investors should ensure that they understand the nature of the Capital Securities and the extent of their exposure to risks and they should review and consider these risks carefully before purchasing any Capital Securities. In particular, prospective investors should review and consider the risk factors relating to a Principal Write-down and interest cancellation and the impact this may have on their investment. For a discussion of these risks see "Risk Factors" beginning on page 4.

This Securities Note has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**), as the competent authority under the Prospectus Regulation. The AFM only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer that is the subject of this Securities Note or of the quality of the securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the Capital Securities. Application has been made for the listing and trading of the Capital Securities on Euronext Amsterdam N.V. (**Euronext Amsterdam**) with effect from 29 January 2024. Euronext Amsterdam is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments, as amended (**MiFID II**).

The Prospectus (comprising this Securities Note and the Registration Document and as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to the Capital Securities which are to be admitted to trading on a regulated market in the European Economic Area (the **EEA**) and shall expire on 25 January 2025. The obligation to supplement the Prospectus (comprising this Securities Note and the Registration Document) in the event of a significant new factor, material mistake or material inaccuracy does not apply when the Prospectus is no longer valid.

The Capital Securities will be in bearer form and in denominations of €200,000 and integral multiples of €1,000 in excess thereof up to (and including) €399,000. The Capital Securities will initially be represented by a temporary global capital security (the **Temporary Global Capital Security**), which will be deposited with a common safekeeper for Clearstream Banking, S.A. (**Clearstream, Luxembourg**) and Euroclear Bank SA/NV (**Euroclear**) on the Issue Date. The Temporary Global Capital Security will be exchangeable for interests in a permanent global capital security (the **Permanent Global Capital Security**, together with the Temporary Global Capital Security, the Global Capital Securities) not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Permanent Global Capital Security will be exchangeable for Capital Securities in definitive form (the **Definitive Capital Securities**) in the limited circumstances set out therein, see "*Form of the Capital Securities*" below.

The Capital Securities are expected to be rated BB by S&P Global Ratings Europe Limited (**S&P**). S&P is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). A 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.

The Capital Securities have not been nor will they be registered under the United States Securities Act of 1933 as amended from time to time (the Securities Act) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The Capital Securities are in bearer form and are subject to certain United States tax law requirements. The Capital Securities have not been approved or disapproved by the United States Securities Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of any offering of Capital Securities or the accuracy or adequacy of this Securities Note. Any representation to the contrary is a criminal offence in the United States.

See "*Subscription and Sale*" below.

This Securities Note and any supplement will be published in electronic form on the website of the Issuer at https://www.vanlanschotkempen.com/en-nl/about-us/investor-relations/debt-investors/library.

Structuring Advisor and Sole Lead Manager
Morgan Stanley Europe SE

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RISK FACTORS

The Issuer believes that the factors described below and the risk factors contained in the Registration Document represent the material risks currently deemed to be inherent in investing in the Capital Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Capital Securities may occur for other reasons currently unknown and the Issuer does not represent that the statements below and the risk factors contained in the Registration Document regarding the risks of holding the Capital Securities are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Securities Note and the Registration Document and reach their own views prior to making any investment decision. Before making an investment decision with respect to the Capital Securities, 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 Capital Securities and consider such an investment decision in the light of the prospective investor's personal circumstances.

Unless specifically defined otherwise herein, words and expressions defined in the Registration Document and in section "Terms and Conditions of the Capital Securities" below shall have the same meaning in this section.

References to "the Issuer" in this section are used as a reference to Van Lanschot Kempen N.V. and its consolidated subsidiaries.

RISKS RELATING TO THE ISSUER

Each potential investor in the Capital Securities should refer to the Risk Factors section of the Registration Document for a description of those factors which may affect the Issuer's ability to fulfil its obligations under Capital Securities. See section "*Documents Incorporated by Reference*" below.

RISKS RELATED TO THE CAPITAL SECURITIES

A. Risks related to the nature of the Capital Securities

The Capital Securities constitute deeply subordinated obligations

The Capital Securities constitute unsecured and deeply subordinated obligations of the Issuer. The Prevailing Principal Amount will rank, subject to any rights or claims which are mandatorily preferred by law (including as provided pursuant to Section 212rf Dutch Bankruptcy Code (*Faillissementswet*), (a) junior to the rights and claims of creditors in respect of all present and future Senior Obligations of the Issuer, (b) *pari passu* without any preference among themselves and with all other present and future Parity Obligations of the Issuer (including any other series of Additional Tier 1 instruments) and (c) senior only to the rights and claims of creditors in respect of all present and future Junior Obligations of the Issuer. As a result, in the event of liquidation or bankruptcy of the Issuer, any claims of the Holders in respect of the Prevailing Principal Amount against the Issuer will be subordinated to (a) the rights and claims of depositors (other than in respect of those whose deposits rank equally to or lower than the Capital Securities, if any), (b) all unsubordinated rights and claims (including, but not limited to, with respect to the repayment of borrowed money), (c) all subordinated rights and claims (including, but not limited to, in respect of obligations qualifying as Tier 2 instruments) and (d) excluded liabilities of the Issuer pursuant to Article 72(a)2 CRR, other than (i) Parity Obligations

and (ii) Junior Obligations. Any claims for payment of interest have a subordinated ranking above own funds (including the Principal Prevailing Amount).

Before the occurrence of any event referred to above, Holders may already have lost the whole or part of their investment in the Capital Securities as a result of a write-down of the principal amount of the Capital Securities if, at any time, the Issuer CET1 Ratio falls below 5.125 per. cent (a **Trigger Event**) and/or a write-down or conversion of the principal amount of the Capital Securities following Statutory Loss Absorption or Recapitalisation (see the risk factors "*The principal amount of the Capital Securities may be reduced (Written Down) to absorb losses*" and *"A Holder may lose all or parts of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption or Recapitalisation occurs*" below). In the event of liquidation or bankruptcy of the Issuer, payment of any remaining principal amount not so written down to a Holder will, by virtue of such subordination, only be made after all obligations of the Issuer resulting from higher-ranking deposits, unsubordinated rights and claims (including with respect to the repayment of borrowed money) and higher ranking subordinated claims have been satisfied in full. If any such event occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due and payable under the Capital Securities. Furthermore, pursuant to Condition 3.3 (*No set-off or netting*), no Holder may exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Capital Securities. To the extent that any Holder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Holder is required to immediately transfer to the Issuer an amount equal to the amount which purportedly has been set off or netted (such a transfer, a **Set-off Repayment**) and no rights can be derived from the relevant Capital Securities until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting by a Holder shall be exclusively governed by Dutch law. A Holder may therefore recover less than the holders of deposit liabilities or the holders of unsubordinated liabilities or prior ranking subordinated liabilities of the Issuer.

Although the Capital Securities may pay a higher rate of interest than securities which are not, or not as deeply, subordinated, there is a real risk that an investor in deeply subordinated securities such as the Capital Securities will lose all or some of its investment should the Issuer become insolvent.

The Issuer is not prohibited from issuing further debt, which may rank pari passu with or senior to the Capital Securities

The Terms and Conditions of the Capital Securities do not limit the amount of liabilities ranking senior or *pari passu* in priority of payment to the Capital Securities which may be incurred or assumed by the Issuer from time to time, whether before or after the issue date of the Capital Securities nor do they restrict the Issuer in issuing Additional Tier 1 instruments with other write-down mechanisms or trigger levels or that convert into shares upon a trigger event. The Issuer may be able to incur significant additional secured or unsecured unsubordinated indebtedness and/or prior-ranking subordinated indebtedness. If the Issuer becomes insolvent or is liquidated, or if payment under any secured or unsecured unsubordinated and/or prior-ranking subordinated debt obligations is accelerated, the Issuer's secured or unsecured unsubordinated or, as the case may be, prior-ranking subordinated lenders would be entitled to exercise the remedies available to a secured or unsecured unsubordinated and/or prior-ranking subordinated lender before the Holders.

Also, there is a risk that, as a result of Section 212rf Dutch Bankruptcy Code (*Faillissementswet*), capital instruments which are expressed to rank *pari passu* with, or junior to, the Capital Securities, may in the Issuer's bankruptcy rank senior to the Capital Securities if these other instruments do not qualify or are disqualified as own funds or are reclassified as a tier of own funds ranking higher than the Capital Securities. See also Condition 3 (*Status of the Capital Securities*), which provides that the ranking of the Capital Securities is subject to mandatory provisions of law, including as a result of the Section 212rf Dutch Bankruptcy Code (*Faillissementswet*).

Unsubordinated liabilities of the Issuer may also arise from events that are not reflected on the balance sheet of the Issuer, including, without limitation, insurance or reinsurance contracts, derivative contracts, the issuance of guarantees or the incurrence of other contingent liabilities on an unsubordinated basis. Claims made under such guarantees or such other contingent liabilities will become unsubordinated liabilities of the Issuer that in a winding-up or insolvency proceeding of the Issuer will need to be paid in full before the obligations under the Capital Securities may be satisfied.

As a result, the Capital Securities are subordinated to any secured or unsecured unsubordinated indebtedness and/or prior-ranking subordinated indebtedness that the Issuer may incur in the future. If any event referred to in the risk factor "*The Capital Securities constitute deeply subordinated obligations*" above were to occur, the Issuer may not have enough assets remaining after these payments to pay amounts due and payable under the Capital Securities and the Holders may therefore recover rateably less (if anything) than the lenders of the Issuer's secured or unsecured unsubordinated debt and/or prior-ranking subordinated debt in the event of the Issuer's bankruptcy or liquidation. Even if the claims of senior ranking creditors would be satisfied in full, Holders may still not be able to recover the full amount due because the proceeds of the remaining assets must be shared *pro rata* among all other creditors holding claims ranking *pari passu* with the claims of the Holders in respect of the Capital Securities.

Also, the incurrence of additional capital instruments with interest cancellation provisions similar to the Capital Securities may increase the likelihood of (partial) interest payment cancellations under the Capital Securities if the Issuer is not able to generate sufficient Distributable Items or to maintain adequate capital buffers to make interest payments falling due on all outstanding capital instruments of the Issuer in full. See the risk factor "*In certain circumstances, the Issuer may decide not to pay interest on the Capital Securities or may be required not to pay such interest*" below.

If the Issuer's financial condition were to deteriorate, investors could suffer direct and materially adverse consequences, including suspension of interest and reduction of interest and principal and, if the Issuer were liquidated (whether voluntarily or involuntarily), investors could suffer loss of their entire investment.

In certain circumstances, the Issuer may decide not to pay interest on the Capital Securities or may be required not to pay such interest

The Issuer may at any time elect, in its sole and absolute discretion, to cancel the payment of any interest in whole or in part at any time that it deems necessary or desirable and for any reason and without any restriction on the Issuer thereafter. The Issuer will be required to cancel the payment of all or some of the interest payments otherwise falling due on the Capital Securities in circumstances where the relevant interest payment would either cause the Distributable Items or, if certain capital buffers are not maintained and when aggregated together with other relevant distributions of the kind referred to in Section 3:62b(2) Wft

implementing Article 141(2) CRD IV Directive, Section 3a:11b Wft implementing Article 16a of Directive (2019/879/EU) amending Directive 2014/59/EU (**BRRD**) or in any Applicable Banking Regulations, the relevant Maximum Distributable Amount (if any) to be exceeded, as described in Condition 4.2(b) (*Mandatory cancellation of interest*). Also, the Competent Authority may order the Issuer to cancel interest payments and any accrued but unpaid interest will be cancelled following the occurrence of a Trigger Event. As a result, a Holder may as long as the Capital Securities are outstanding, which due to absence of a fixed maturity date be until perpetuity, not at any time receive any payments of interest or principal on the Capital Securities.

Mandatory cancellation of interest due to lack of Distributable Items

Distributable Items relate to the Issuer's profits and distributable reserves determined on the basis of the Issuer's non-consolidated accounts as further described in Condition 4.2(b) (*Mandatory cancellation of interest*). The amount of Distributable Items available to pay interest on the Capital Securities may be affected, *inter alia*, by other discretionary interest payments on other (existing or future) capital instruments, including CET1 distributions and any write-up of principal amounts of Discretionary Temporary Write-down Instruments (if any). As at 31 December 2022, the Issuer's Distributable Items amounted to €1,147 million. In addition, the amount of Distributable Items may potentially be adversely affected by the performance of the business of the Issuer in general, factors affecting its financial position (including capital and leverage ratios and requirements), the economic environment in which the Issuer operates and other factors outside of the Issuer's control. Adjustments to earnings, as determined by the statutory board of the Issuer, may furthermore fluctuate significantly and may materially adversely affect Distributable Items of the Issuer.

Mandatory cancellation of interest due to Maximum Distributable Amount restrictions

The Maximum Distributable Amount will apply in circumstances where the Issuer does not meet certain combined capital buffer requirements or any similar requirements (see also below and in the risk factor "*CRD IV includes capital requirements that are in addition to the minimum regulatory CET1 capital requirement. These additional capital requirements will restrict the Issuer from making interest payments on the Capital Securities in certain circumstances, in which case the Issuer will automatically cancel such interest payments*").

Under Section 3:62b(2) Wft (implementing Article 141(2) (*Restrictions on distributions*) CRD IV Directive), institutions that fail to meet the combined buffer requirement (broadly, the combination of the capital conservation buffer, the institution-specific countercyclical capital buffer, the systemic risk buffer, the global systemically important institutions buffer and/or the other systemically important institutions buffer, in each case as applicable to the institution) will be subject to restricted discretionary payments (which are defined broadly by CRD IV as distributions in connection with CET1 capital, payments on Additional Tier 1 Capital instruments (including interest amounts on the Capital Securities and any write-ups of principal amounts (if applicable)) and payments of discretionary staff remuneration).

In the event of a breach of the combined buffer requirement, the restrictions under Section 3:62b(2) Wft (implementing Article 141(2) CRD IV Directive) will be scaled according to the extent of the breach of the combined buffer requirement and calculated as a percentage of the institution's profits. Such calculation will result in a maximum distributable amount (**Maximum Distributable Amount**) in each relevant period.

As at the date of this Securities Note, restrictions with respect to the Maximum Distributable Amount following a breach of the combined buffer requirement should be calculated at a consolidated and solo level. As an example, the scaling is such that in the bottom quartile of the combined buffer requirement, no discretionary distributions will be permitted to be paid. As consequence, in the event of breach of the combined buffer requirement it may be necessary to reduce payments that would, but for the breach of the combined buffer requirement, be discretionary, including potentially exercising the Issuer's discretion to cancel (in whole or in part) interest payments in respect of the Capital Securities. In such circumstances, the aggregate amount of distributions which the Issuer can make on account of dividends, interest payments, write-up amounts and redemption amounts on its Tier 1 instruments (including the Capital Securities) and certain bonuses will be limited.

Mandatory cancellation of interest due to a failure to comply with MREL requirements

Furthermore, a failure by the Issuer to comply with the minimum requirement for own funds and eligible liabilities (**MREL**) requirements under the BRRD and Regulation (EU) No 806/2014 (**SRM Regulation**) may result in the Issuer breaching the combined buffer requirement and, consequently, becoming subject to Maximum Distributable Amount restrictions on payments on Additional Tier 1 instruments, including the Capital Securities. Section 3a:11b Wft implements Article 16a BRRD to clarify, for the purposes of restrictions on distributions, the relationship between Pillar 1 minimum own funds requirements (**P1R**), Pillar 2 own funds requirements (**P2R**), the MREL requirement and the combined buffer requirement (**CBR**) (the so called 'stacking order'). Under Article 16a BRRD, an institution such as the Issuer shall be considered as failing to meet the CBR for the purposes of Article 16a BRRD where it does not have MREL in an amount and of the quality needed to meet, at the same time, the requirement defined in Article 128(6) CRD IV Directive (i.e. the CBR) as well as each of the P1R, the P2R and the MREL requirement. This requirement recognises that breaches of the CBR (whilst still complying with P1R and P2R) may be due to a temporary inability to issue new eligible debt for MREL purposes. For these situations, BRRD envisages a nine month grace period before restrictions under Article 16a BRRD will apply. During the grace period, the relevant authorities will be able to exercise other powers available to them that are appropriate in view of the financial situation of the relevant institution.

Impact of CET1 capital requirements on interest payment restrictions

The amount of CET1 capital required to meet the CBR or any similar requirements will be relevant to assess the risk of interest payments being cancelled. See also below in the risk factor "*CRD IV includes capital requirements that are in addition to the minimum regulatory CET1 capital requirement. These additional capital requirements will restrict the Issuer from making interest payments on the Capital Securities in certain circumstances, in which case the Issuer will automatically cancel such interest payments*". The market price of the Capital Securities is likely to be affected by any fluctuations in the Issuer CET1 Ratio. Any indication or perceived indication that this ratio (on a consolidated and/or solo basis, as applicable) is tending towards the Maximum Distributable Amount trigger level may have an adverse impact on the market price of the Capital Securities.

The Issuer's capital requirements are, by their nature, calculated by reference to a number of factors any one of which or combination of which may not be easily observable or capable of calculation by investors. See also below in the risk factor "*The Issuer CET1 Ratio will be affected by a number of factors, any of which may be outside the Issuer's control, as well as by its business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the investors*".

Holders may not be able to predict accurately the proximity of the risk of discretionary payments (of interest and principal) on the Capital Securities being prohibited from time to time as a result of the operation of Article 141 CRD IV Directive and Article 16a BRRD. In any event, the Issuer will have discretion as to how the Maximum Distributable Amount will be applied if insufficient to meet all expected distributions and is not obliged to take the interests of investors in the Capital Securities into account.

Mandatory cancellation of interest imposed by supervisory or resolution authorities

The CRD IV Directive gives the competent authority certain recovery powers which would apply if the Issuer fails (or is likely to fail) to comply with applicable regulations. There are no ex-ante limitations on the discretion to use this power. In such circumstances, the competent authority could require the Issuer to suspend payments of interest on Additional Tier 1 instruments (including the Capital Securities). Furthermore, the CRD IV Directive provides the competent authority coupon cancellation powers in the context of the regular supervisory review and evaluation process of the Issuer which may force the Issuer to cancel interest payments to Holders, which may be applied even if the Issuer has sufficient Distributable Items and no Maximum Distributable Amount restrictions apply.

Payment of interest may also be affected by any application of the legislation in the Netherlands implementing the BRRD. See also below in the risk factors "*A Holder may lose all or parts of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption or Recapitalisation occurs*".

Mandatory cancellation of interest due to failing to meet leverage ratio requirements

The EU Banking Reforms (as defined in the Registration Document) also introduces a restriction for global systemically important institutions (**G-SIIs**) on distributions (including on payments of AT1 instruments, such as the Capital Securities) in case of failure to meet the leverage ratio buffer requirement. On the date of this Securities Note, the Issuer is not a G-SII. However, future extension of this restriction on non-G-SIIs is possible, and there can be no assurance that relevant EU or Dutch regulators may not in the future apply a leverage ratio buffer requirement to the Issuer. Also, there can be no assurance, that any of P1R, P2R, CBR or MREL requirements applicable to the Issuer will not be amended in the future to include new and more onerous capital requirements, which in turn may affect the Issuer's capacity to make payments of interest on the Capital Securities.

Potential impact of the above risks on payments of interest, the rights of Holders and the market price of the Capital Securities

It follows from the above that there can be no assurance that an investor will receive payments of interest in respect of the Capital Securities, and the Issuer's ability to make interest payments on the Capital Securities will depend on a combination of factors including (i) the level of distributable reserves and the profits the Issuer has accumulated in the financial year preceding any interest payment date, (ii) the amount of outstanding capital instruments with interest cancellation provisions similar to the Capital Securities, (iii) the P1R, P2R, CBR, MREL requirement or any other capital or buffer requirements applicable to the Issuer from time to time and (iv) the application of certain discretionary powers of the Competent Authority in respect of the Issuer. Furthermore, even if there were to be sufficient funds to make interest payments on the Capital Securities, the Issuer may still elect to cancel such interest payment for any reason and for any length of time. Furthermore, no interest will be paid on any principal amount that has been written down following a Trigger Event and/or Statutory Loss Absorption

or Recapitalisation and interest on any remaining principal amount following such write-down is subject to the Issuer having sufficient Distributable Items and, if applicable, sufficient Net Result and the Maximum Distributable Amount not being exceeded (see the risk factors "*The principal amount of the Capital Securities may be reduced (Written Down) to absorb losses*" and "*A Holder may lose all or parts of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption or Recapitalisation occurs*" and "*CRD IV includes capital requirements that are in addition to the minimum regulatory CET1 capital requirement. These additional capital requirements will restrict the Issuer from making interest payments on the Capital Securities in certain circumstances, in which case the Issuer will automatically cancel such interest payments*" below).

In addition to the above, in response to the outbreak of communicable diseases, pandemics and epidemics or health emergencies, as well as to other crises that impact the financial markets and economy, legislative and/or regulatory authorities may at any time introduce temporary emergency legislative measures which may impose further restrictions on the Issuer to make distributions, such as in particular the suspension of payments of interest on Additional Tier 1 instruments (including the Capital Securities).

Any interest not paid shall be deemed cancelled and shall not accumulate or be payable at any time thereafter. Cancellation of interest shall not constitute a default under the Capital Securities for any purpose. Investors shall have no further rights in respect of any interest not paid and shall not be entitled to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer. Furthermore, cancellation of interest payments shall not in any way impose restrictions on the Issuer, including restricting the Issuer from making distributions or equivalent payments in connection with junior ranking (including the ordinary shares) or *pari passu* ranking instruments.

Any actual or anticipated cancellation of interest on the Capital Securities will likely have an adverse effect on the market price of the Capital Securities. In addition, as a result of the interest cancellation provisions of the Capital Securities, the market price of the Capital Securities may be more volatile than the market prices of other debt securities on which interest accrues which is not subject to such cancellation and may be more sensitive generally to adverse changes in the Issuer's financial condition. Any indication or perceived indication that the Issuer CET1 Ratio (on a consolidated and/or solo basis, as applicable) is trending towards the minimum required CBR or that the Issuer fails to meet its MREL requirement, may have an adverse effect on the market price of the Capital Securities.

The principal amount of the Capital Securities may be reduced (Written Down) to absorb losses
The Capital Securities are being issued for capital adequacy regulatory purposes with the intention and purpose of being eligible as Additional Tier 1 Capital of the Issuer. Such eligibility depends upon a number of conditions being satisfied. One of these relates to the ability of the Capital Securities and the proceeds of their issue to be available to absorb any losses of the Issuer. Accordingly, if a Trigger Event occurs, the Prevailing Principal Amount of the Capital Securities will be reduced with an amount at least sufficient to immediately cure the Trigger Event, and any accrued but unpaid interest will be cancelled. A Principal Write-down may occur at any time on one or more occasions (provided, however, that the principal amount of a Capital Security shall never be reduced to below one cent). Any Principal Write-down of the Capital Securities shall not constitute a default of the Issuer. Investors shall not be entitled to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer (without prejudice to any principal amount subsequently written-up at the

discretion of the Issuer in accordance with the Principal Write-up mechanism as set out in Condition 8.2 (*Principal Write-up*)).

A Principal Write-down is expected to occur simultaneously with the concurrent pro rata write-down or conversion into shares or other instruments of ownership of the prevailing principal amount of any Parity Loss Absorbing Instruments and after the write-down or conversion into shares or other instruments of ownership of Prior Loss Absorbing Instruments with higher trigger levels (if any). However, this will not necessarily be the case. In particular, investors must note that to the extent such write-down or conversion into shares or other instruments of ownership of any Loss Absorbing Instruments is not effective for any reason (i) the ineffectiveness of any such write-down or conversion into shares or other instruments of ownership shall not prejudice the requirement to effect a Principal Write-down of the Capital Securities and (ii) the write-down or conversion into shares or other instruments of ownership of any Prior Loss Absorbing Instruments and/or Parity Loss Absorbing Instruments which are not effective shall not be taken into account in determining the Write-down Amount of the Capital Securities. Therefore, the write-down or conversion into shares or other instruments of ownership of other Loss Absorbing Instruments is not a condition for a Principal Write-down of the Capital Securities and, as a result of failure to write down or convert into shares or other instruments of ownership such other Loss Absorbing Instruments, the Write-down Amount of the Capital Securities may be higher. Holders may lose all or some of their investment as a result of such a Principal Write-down of the Prevailing Principal Amount of the Capital Securities. In particular, the Issuer may be required to write down the Prevailing Principal Amount of the Capital Securities following the occurrence of a Trigger Event such that the Issuer CET1 Ratio is restored to a level higher than 5.125 per cent. No assurance can be given that a Principal Write-down will be applied towards not only curing the Trigger Event but also towards restoring the Issuer CET1 Ratio to a level above the Trigger Event. In such an event, the Write-down Amount will be greater than the amount by which the then Prevailing Principal Amount would have been written down if the Issuer had been required to write down the principal amount of the Capital Securities to the extent necessary thereby to restore the Issuer CET1 Ratio to 5.125 per cent.

Furthermore, it is possible that, following a material decrease in the Issuer CET1 Ratio, a Trigger Event in relation to the Capital Securities occurs simultaneously with a trigger event in relation to Prior Loss Absorbing Instruments having a higher trigger level. If this were to occur, the Prevailing Principal Amount of the Capital Securities will be reduced *pro rata* with Prior Loss Absorbing Instruments having a higher trigger level up to an amount sufficient to restore the Issuer CET1 Ratio to not less than 5.125 per cent. provided that, with respect to each Prior Loss Absorbing Instrument and/or Parity Loss Absorbing Instrument (if any), such *pro rata* write-down and/or conversion shall only be taken into account to the extent required to restore the Issuer CET1 Ratio contemplated above to the lower of (x) such Prior Loss Absorbing Instrument's and/or Parity Loss Absorbing Instrument's trigger level and (y) the trigger level in respect of which the relevant Trigger Event under the Capital Securities has occurred, in each case, in accordance with the terms of the relevant instruments and the Applicable Banking Regulations.

The Issuer's current and future outstanding junior and *pari passu* ranking securities might not include write-down or similar features with triggers comparable to those of the Capital Securities. As a result, it is possible that the Capital Securities will be subject to a Principal Write-down, while junior and *pari passu* ranking securities remain outstanding and continue to receive payments. Also, the Terms and Conditions of the Capital Securities do not in any way impose restrictions on the Issuer following a Principal Write-down, including restrictions on making any distribution or equivalent payment in connection with (i) any Junior Obligations (including, without limitation, any common shares of the Issuer) or (ii) in respect of any Parity Obligations.

Investors may lose all or some of their investment as a result of a Principal Write-down or of reaching the point of non-viability (see also below in the risk factor "*A Holder may lose all or parts of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption or Recapitalisation occurs*"). Although (in case of a Principal Write-down only following a Trigger Event) the Conditions allow for the principal amount to be written-up again due to the limited circumstances in which a Principal Write-up may be undertaken, any reinstatement of the Prevailing Principal Amount of the Capital Securities and recovery of such investment may take place over an extended period of time or not at all. In addition, if any of the events listed in Condition 12 (*Limited Remedies in case of Non-Payment*) occurs prior to the Capital Securities being written-up in full pursuant to Condition 8.2 (*Principal Write-up*), Holders' claims for principal in liquidation or bankruptcy will be based on the reduced principal amount (if any) of the Capital Securities. Further, during the period of any Principal Write-down pursuant to Condition 8.1 (*Principal Write-down*), interest will accrue on the reduced principal amount of the Capital Securities and is subject to the Issuer having sufficient Distributable Items and, if applicable, sufficient Net Result and the Maximum Distributable Amount not being exceeded. Also, any redemption at the option of the Issuer upon the occurrence of a Tax Event or a Capital Event during such period will take place at the reduced principal amount of the Capital Securities.

The written down principal amount will not be automatically reinstated if the Issuer CET1 Ratio is restored above a certain level. It is the extent to which the Issuer makes a profit from its operations (if any) that will affect whether the principal amount of the Capital Securities may be reinstated to its Original Principal Amount. The Issuer has full discretion to write-up the principal amount of the Capital Securities, subject to certain conditions being met, such as there being sufficient Net Result (being the lower of the net result of the Issuer as calculated on (on a consolidated and/or solo basis, as applicable) and, if applicable, a sufficient Maximum Distributable Amount. No assurance can be given that these conditions will ever be met or that the Issuer will operate or accelerate a write-up when the relevant conditions are satisfied. Also the Competent Authority has the power to prohibit a write-up in the context of the regular supervisory review and evaluation process or if the Issuer fails (or is likely to fail) to comply with applicable regulations. However, if any write-up were to occur, it will have to be undertaken on a *pro rata* basis with any other instruments qualifying as Additional Tier 1 Capital providing for a reinstatement of principal amount in similar circumstances that have been subject to a write-down (see Condition 8.2(a) (*Principal Write-up*)).

The market price of the Capital Securities is expected to be affected by any actual or anticipated write-down of the principal amount of the Capital Securities as well as by the Issuer's actual or anticipated ability to write-up the reduced principal amount to its original principal amount.

The Issuer CET1 Ratio will be affected by a number of factors, any of which may be outside the Issuer's control, as well as by its business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the investors

The market price of the Capital Securities is expected to be affected by fluctuations in the Issuer CET1 Ratio. Any perceived or actual indication that the Issuer CET1 Ratio is trending towards the Trigger Event may have an adverse effect on the market price of the Capital Securities. The level of the Issuer CET1 Ratio may significantly affect the trading price of the Capital Securities.

The occurrence of a Trigger Event is inherently unpredictable and depends on a number of factors, any of which may be outside the Issuer's control. Because the Issuer CET1 Ratio may be calculated as at any date, a Trigger Event could occur at any time. The calculation of the Issuer CET1 Ratio could be affected by one or more factors, including, among other things, changes in the mix of the Issuer's business, major events affecting its earnings, credit losses and

impairments, dividend payments by the Issuer, accounting changes, regulatory changes (including the imposition of additional minimum capital or capital buffer requirements or changes to definitions and calculations of regulatory capital ratios and their components or the changes to the interpretation thereof by the relevant authorities or case law) and the Issuer's ability to manage risk-weighted assets in both its ongoing businesses and those which it may seek to exit or enter.

Examples of the regulatory changes which may impact the Issuer CET1 Ratio are the Basel-III Reforms (as defined in the Registration Document), the ECB targeted review of internal models (TRIM), the regulation on minimum loss coverage for non-performing exposures complementing Regulation (EU) No 575/2013 relating to own funds (Regulation (EU) 2019/630 (including associated supervisory expectations), the EBA Definition of Default Guidelines and the minimum average risk weight for IRB banks' exposures to natural persons secured by mortgages on residential property located in the Netherlands announced by DNB. Provisional calculations indicate that the Issuer's CET1 Ratio would be around 21 per cent. as per 30 December 2022 according to the Basel-III Reforms definition. These provisional calculations are based on assumptions about the ultimate implementation of the Basel-III Reforms in legislation.

The Issuer CET1 Ratio, Distributable Items and any Maximum Distributable Amount will also depend on the Issuer's decisions relating to its businesses and operations, as well as the management of its capital position, and may be affected by changes in applicable accounting rules (including, but not limited to, the introduction of IFRS 9) or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules. For example, the Issuer may decide not to, or not be able to, raise capital at a time when it is feasible to do so, even if that would result in the occurrence of a Trigger Event.

Investors will not be able to monitor movements in the Issuer CET1 Ratio or distance to any Maximum Distributable Amount trigger levels on a continuous basis and it may therefore not be foreseeable when a Trigger Event may occur or whether interest payments must be cancelled. The Issuer will have no obligation to consider the interests of investors in connection with its strategic decisions, including in respect of its capital management. The Issuer currently intends to give due consideration to the capital hierarchy, however it may deviate from that approach in its sole discretion. Investors will not have any claim against the Issuer relating to decisions that affect the business and operations of the Issuer, including its capital position, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause investors to lose all or part of the value of their investment in the Capital Securities.

The usual reporting cycle of the Issuer is for the Issuer CET1 Ratio to be reported on a semi-annual basis in conjunction with the Issuer's semi-annual financial reporting and in Q1 and Q3 trading updates, which may mean investors are given limited warning of any deterioration in the Issuer CET1 Ratio. Investors should also be aware that the Issuer CET1 Ratio may be calculated as at any date and, as a result thereof, a Trigger Event may occur as at any date.

At the date of this Securities Note, the capital instruments eligible as own funds at solo level of the Issuer are the same as the capital instruments eligible as own funds of at consolidated level, but the risk-weighted assets and deductions of the own funds at solo level differ from the risk-weighted assets and deductions of the own funds at a consolidated level.

Since a Trigger Event will occur if any one of the CET1 Ratio thresholds is breached regardless of whether or not the other CET1 Ratio threshold is breached, the additional uncertainties resulting from differences in the factors affecting the two CET1 Ratios may have an adverse impact on the market price or the liquidity of the Capital Securities.

Due to the uncertainty regarding whether a Trigger Event will occur, it will be difficult to predict when, if at all, the Prevailing Principal Amount of the Capital Securities may be written down. Accordingly, the trading behaviour of the Capital Securities may not necessarily follow the trading behaviour of other types of subordinated securities. Any indication or perceived indication that the Issuer CET1 Ratio is trending towards the minimum applicable combined capital buffer may have an adverse effect on the market price of the Capital Securities. Under such circumstances, investors may not be able to sell their Capital Securities easily or at prices that will provide them with a yield comparable to more conventional investments.

CRD IV includes capital requirements that are in addition to the minimum regulatory CET1 capital requirement. These additional capital requirements will restrict the Issuer from making interest payments on the Capital Securities in certain circumstances, in which case the Issuer will automatically cancel such interest payments

A minimum CBR is imposed on top of the minimum CET1 capital requirement of 4.5 per cent. of the Issuer's total risk exposure amount (**TREA**) as calculated in accordance with Article 92 CRR and any P2R applicable to the Issuer. The Dutch legislator has implemented the CBR in the Wft and the implementing Decree on prudential rules Wft (*Besluit prudentiële regels Wft*, the **Decree on Prudential Rules Wft**) which entered into force on 1 August 2014.

The CBR consists of the following elements:

- **Capital conservation buffer (*kapitaalconserveringsbuffer*)**: set at 2.5 per cent. of TREA;

- **Institution-specific countercyclical capital buffer (*contracyclische kapitaalbuffer*)**: the institution-specific countercyclical capital buffer rate shall consist of the weighted average of the countercyclical capital buffer rates that apply in the jurisdictions where the relevant credit exposures are located; this rate will be between 0 per cent. and 2.5 per cent. of TREA (but may be set higher than 2.5 per cent. where the designated authority considers that the conditions justify this). The designated authority in each member state must set the countercyclical capital buffer rate for exposures in its jurisdiction on a quarterly basis;

- **Systemic relevance buffer (*systeemrelevantiebuffer*)**: the systemic relevance buffer consists of a buffer for G-SIIs and for other systemically important institutions (**O-SIIs**), to be determined by DNB. The buffer rate for O-SIIs can be up to 2.0 per cent. of TREA. The buffer rate for G-SII can be between 1 per cent. and 3.5 per cent. of TREA. DNB periodically reviews the identification of G-SIIs and O-SIIs as well as the applicable buffer rate; and

- **Systemic risk buffer (*systeemrisicobuffer*)**: potentially set as an additional loss absorbency buffer to prevent and mitigate long term non-cyclical systemic or macro prudential risks not covered in CRD IV, to be determined by DNB. The level of the systemic risk buffer may vary across institutions or sets of institutions as well as across subsets of exposures. In 2020, DNB has reduced the systemic risk buffer for all Dutch banks to 0 per cent.

At the date of this Securities Note, the Issuer is not subject to any of the capital buffers described above except for the capital conservation buffer and the countercyclical capital buffer, however this may change in the future.

The capital the Competent Authority asks banks to keep based on the Supervisory Review and Evaluation Process (**SREP**) consists of a bank-specific capital requirement, the P2R, which applies

in addition to, and covers risks which are underestimated or not covered by, the minimum capital requirement (known as Pillar 1). The P2R is binding and breaches can have direct legal consequences for banks. The capital the Competent Authority asks banks to keep based on the SREP also includes the Pillar 2 Guidance (**P2G**), which indicates to banks the adequate level of capital to be maintained to provide a sufficient buffer to withstand stressed situations. Unlike the P2R, the P2G is not legally binding.

Accordingly, in the capital stack of a bank, the P2G is in addition to (and "sits above") that bank's P1R, its P2R and its CBR. If a bank does not meet its P2G, the mandatory restrictions on discretionary payments (including payments on its CET1 and Additional Tier 1 instruments such as the Capital Securities) based on its Maximum Distributable Amount will not automatically apply. Instead, the Competent Authority will carefully consider the reasons and circumstances and may impose individually tailored supervisory measures. However, only if a bank fails to maintain its CBR, e.g. because of a breach of P2R, the mandatory restrictions on discretionary payments (including payments on its CET1 and Additional Tier 1 instruments such as the Capital Securities) based on its Maximum Distributable Amount will apply. However, there can be no assurance as to the relationship between the "Pillar 2" additional own funds requirements and the restrictions on discretionary payments (including distributions on the Capital Securities) and as to how and when effect will be given to the EBA's guidelines and/or the EU Banking Reforms in the Netherlands, including as to the consequences for a bank of its capital levels falling below the P1R, P2R and/or CBR referred to above.

There can be no assurance, that any of the minimum P1R, P2R, CBR or MREL requirements applicable to the Issuer will not be amended in the future to include new and more onerous capital requirements, which in turn may affect the Issuer's capacity to make payments of interest on the Capital Securities.

The Issuer's capital ratios are above the regulatory minimum requirements. As at 30 June 2023, the Issuer had a consolidated CET1 Ratio of 21.6 per cent., which is well above the 2023 SREP requirement, applicable as of August 2023. Pursuant to the 2023 SREP requirement, the Issuer is required to hold a minimum total capital ratio of 17.5 per cent. which is composed of 8.0 per cent. P1R, 5.1 per cent. P2R, a 2.5 per cent. capital conservation buffer, a 0.9 per cent. countercyclical buffer and 1.1 per cent. P2G. The Maximum Distributable Amount trigger level as at the date of this Securities Note is 10.8 per cent. CET1. The Issuer currently has a consolidated target CET1 Ratio of 15 per cent. plus a 2.5 per cent. M&A add-on. There can be no assurance, however, that Issuer will continue to maintain its current target ratio or internal management buffer or that any such target ratio and buffer would be sufficient to protect against a breach of the CBR resulting in restrictions on payments on its CET1 instruments and Additional Tier 1 instruments, such as the Capital Securities.

As outlined in the risk factor "*In certain circumstances, the Issuer may decide not to pay interest on the Capital Securities or may be required not to pay such interest*" and in the paragraph headed "*Capital and/or liquidity requirements may adversely affect the business of the Issuer*" above, a failure by the Issuer to comply with its MREL requirements may result in the Issuer breaching the CBR and, consequently, become subject to the restrictions on payments on Additional Tier 1 instruments, including the Capital Securities (subject to a potential nine-month grace period for such restrictions to apply in case specific conditions are met, e.g. where such breach of the combined buffer requirement is due to a temporary inability to issue new debt that is eligible for MREL).

In December 2022, the Issuer received the MREL requirements that apply from 1 January 2024. The Issuer's MREL requirements are equal to the requirements currently in force under the SREP.

There can be no assurance, however, that Issuer will continue to meet the MREL requirements or that any buffer would be sufficient to protect against a breach of the CBR resulting in restrictions on payments on its CET1 instruments and Additional Tier 1 instruments, such as the Capital Securities.

A Holder may lose all or parts of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption or Recapitalisation occurs

In addition to being subject to a possible write-down as a result of the occurrence of a Trigger Event in accordance with the Terms and Conditions of the Capital Securities, the Capital Securities may also be subject to a permanent write-down or conversion (in whole or in part) in circumstances where the competent Resolution Authority would, in its discretion, determine that the Issuer has reached the point of non-viability. For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the SRM Regulation and BRRD is the point at which the Resolution Authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or, in certain circumstances, its group, will no longer be viable unless the relevant capital instruments (such as the Capital Securities) are written-down or converted or extraordinary public financial support is to be provided and without such support the appropriate authority determines that the institution or group would no longer be viable.

Pre-resolution measures

If the Issuer would be deemed no longer viable (or one or more other conditions as set out in Article 59 BRRD, as implemented in Section 3a:17 Wft, apply, **Non-Viability Event**) the Issuer may be subject to the write-down, cancellation or conversion of relevant capital instruments issued by it (or in cooperation with it) (i.e. Common Equity Tier 1 items, Additional Tier 1 instruments (such as the Capital Securities) and Tier 2 instruments, each as referred to in the CRR) and either independently (i.e. separate from, and before any, resolution action) or in combination with a resolution action (such as the application of a transfer tool and/or the bail-in tool, discussed below). This measure is referred to as the write-down and conversion of capital instruments tool (**WDCCI**). The WDCCI can be exercised in order to write-down, cancel or convert the relevant capital instruments (such as the Capital Securities) into (rights with respect to to-be-issued) shares or other instruments of ownership. The WDCCI should be exercised in accordance with a certain order of priority, as described below, although exceptions may apply. WDCCI could adversely affect the rights and effective remedies of the Holders and the market value of the Capital Securities could be negatively affected.

Resolution measures

If the Issuer would be deemed to fail or likely to fail and the other resolution conditions (as set out in Article 32 BRRD as implemented in Section 3a:18 Wft) would also be met, the Issuer may be placed under resolution. The Resolution Authority may in the event of resolution decide to apply certain resolution tools, subject to the general resolution objectives and principles laid down in the SRM Regulation. These resolution tools may include (without limitation) the sale of the bank's business, the separation of assets, the bail-in tool, the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt

instruments and discontinuing the listing and admission to trading of financial instruments (including the Capital Securities).

These powers and tools are intended to be used prior to the point at which any insolvency proceedings with respect to the Issuer could have been initiated. Although the applicable legalisation provides for conditions to the exercise of any resolution powers and EBA guidelines set out the objective elements for determining whether an institution is failing or likely to fail, it is uncertain how the relevant resolution authority would assess such conditions in any particular pre-insolvency scenario affecting the Issuer and in deciding whether to exercise a resolution power. The relevant resolution authority is also not required to provide any advance notice to the Holders of its decision to exercise any resolution power. Therefore, the Holders may not be able to anticipate a potential exercise of any such powers nor the potential effect of any exercise of such powers on the Issuer or the Holders' rights under the Capital Securities.

Write-down order

The Resolution Authority should take the write-down and conversion steps in the following order (subject to certain exceptions, such as the exclusion or partial exclusion by the Resolution Authority of certain liabilities from the bail-in tool, and potential changes in the future):

(i) Common Equity Tier 1 items;
(ii) principal amount of Additional Tier 1 instruments (such as the Capital Securities);
(iii) principal amount of Tier 2 instruments;
(iv) principal amount of other subordinated debt (not, or no longer, qualifying as Additional Tier 1 capital or Tier 2 capital), in accordance with hierarchy of claims in normal insolvency proceedings; and
(v) principal amount of eligible liabilities qualifying as statutory senior non-preferred obligations; and
(vi) the rest of eligible liabilities in accordance with the hierarchy of claims in normal bankruptcy proceedings.

Instruments of the same ranking are generally written down or converted to equity on a *pro rata* basis subject to certain exceptional circumstances set out in the BRRD.

WDCCI can under the current resolution framework only extend to the instruments referred to under (i), (ii) and (iii) while the bail-in tool may also result in the write-down or conversion of the liabilities referred to under (iv), (v) and (vi). Although the write-down or conversion into shares of the Capital Securities may be part of the bail-in tool, such write-down or conversion would in any event occur prior to bail in of Tier 2 capital instruments, eligible liabilities and senior preferred debt instruments.

Holders should be aware that one of the purposes of the resolution tools available to the Resolution Authority is to protect public funds by minimising reliance on extraordinary public financial support and as a result financial public support will only be used as a last resort after having assessed and used, to the maximum extent practicable, the resolution tools, including the bail-in tool. Therefore there is a real risk that the resolution tools will be applied by the Resolution Authority if the Issuer meets the conditions for resolution as set out above.

When applying the resolution tools and exercising the resolution powers, including the preparation and implementation thereof, the resolution authorities are not subject to (i)

requirements to obtain approval or consent from any person either public or private, including but not limited to the holders of shares or debt instruments, or from any other creditors, and (ii) procedural requirements to notify any person including any requirement to publish any notice or prospectus or to file or register any document with any other authority, that would otherwise apply by virtue of applicable law, contract, or otherwise. In particular, the resolution authorities can exercise their powers irrespective of any restriction on, or requirement for consent for, transfer of the financial instruments, rights, assets or liabilities in question that might otherwise apply.

Powers of the Dutch Minister of Finance

In addition, pursuant to the Dutch Intervention Act, the Dutch Minister of Finance has powers to deal with ailing Dutch banks prior to insolvency. These powers (including the expropriation of liabilities of, or claims against, a bank), if exercised with respect to the Issuer, may impact the Capital Securities and will, subject to certain exceptions, lead to counterparties of the Issuer including Holders) not being entitled to invoke events of default or set off their claims and the risk to lose all or a substantial part of their investments in the Capital Securities.

Other loss absorption powers

It is possible that pursuant to the Dutch Intervention Act, the BRRD, the SRM or other resolution or recovery rules which may in the future be applicable to the Issuer (including, but not limited to, the CRD), new powers may be granted by way of statute to the DNB and/or any other relevant authority which could be used in such a way as to result in debt, including the Capital Securities, absorbing losses or otherwise affecting the rights and effective remedies of Holders in the course of any resolution of the Issuer. The Issuer is unable to predict what effects, if any, existing or future powers may have on the financial system generally, the Issuer's counterparties, the Issuer, any of its consolidated subsidiaries, its operations and/or its financial position.

Impact of the loss absorption powers

Exercise of the foregoing powers could involve taking various actions in relation to the Issuer or any securities issued by the Issuer (including the Capital Securities) without the consent of the Holders in the context of which any termination or acceleration rights or events of default may be disregarded. In addition, Holders will have no further claims in respect of any amount written off, converted or otherwise applied as a result thereof. There can be no assurance that the taking of any such actions would not adversely affect the rights of Holders, the price or value of their investment in the Capital Securities and/or the ability of the Issuer to satisfy its obligations under the Capital Securities.

Holders may have only very limited rights to challenge and/or seek a suspension of any decision of the relevant resolution authority to exercise its (pre-)resolution powers or to have that decision reviewed by a judicial or administrative process or otherwise. Application of any of the measures, as described above, shall not constitute an event of default under the Capital Securities and Holders will have no further claims in respect of the amount so written down or subject to conversion or otherwise as a result of the application of such measures. Accordingly, if the bail-in tool or WDCCI is applied, this may result in claims of Holders being written down or converted into equity. In addition, even in circumstances where a claim for compensation is established under the 'no creditor worse off' safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation

would be equivalent to the full losses incurred by the Holders in the resolution of the Issuer and there can be no assurance that Holders would recover such compensation promptly.

The Dutch Intervention Act, the BRRD and the SRM could negatively affect the position of Holders and the credit rating attached to the Capital Securities, in particular if and when any of the above proceedings would be commenced against the Issuer, since the application of any such legislation may affect the rights and effective remedies of the Holders as well as the market value of the Capital Securities.

Statutory Loss Absorption and Recapitalisation

With a view to the developments described above, the Terms and Conditions of the Capital Securities stipulate that the Capital Securities may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the relevant Resolution Authority) that (a) all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off or otherwise be applied to absorb losses, subject to write-up by the Resolution Authority (such loss absorption, **Statutory Loss Absorption**) or (b) all or part of the nominal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be converted into CET1 instruments (such conversion, **Recapitalisation**), all as prescribed by the Applicable Resolution Framework. See Condition 9 (*Statutory Loss Absorption or Recapitalisation*).

Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Capital Securities subject to Statutory Loss Absorption or Recapitalisation shall be written off or otherwise be applied to absorb losses or converted into CET1 instruments, as prescribed by the Applicable Resolution Framework, (ii) investors will have no further rights or claims in respect of the amount so written off or subject to conversion or otherwise as a result of such Statutory Loss Absorption or Recapitalisation and (iii) such Statutory Loss Absorption or Recapitalisation shall not constitute a default nor entitle investors to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer.

Subject to any write-up by the Resolution Authority, any written off amount as a result of Statutory Loss Absorption or Recapitalisation shall be irrevocably lost and investors will cease to have any claims for any principal amount and accrued but unpaid interest which has been subject to Statutory Loss Absorption or Recapitalisation.

In addition, the Terms and Conditions of the Capital Securities stipulate that, subject to the determination by the relevant Resolution Authority and without the consent of the Holders, the Capital Securities may be subject to other resolution measures as envisaged under the Applicable Resolution Framework; such as replacement or substitution of the Issuer, transfer of the Capital Securities, expropriation of Holders, modification of the terms of the Capital Securities, suspension of any payment or delivery obligations of the Issuer under or in connection with the Capital Securities and/or suspension or termination of the listings of the Capital Securities; that such determination, the implementation thereof and the rights of Holders shall be as prescribed by the Applicable Resolution Framework, which may, *inter alia*, include the concept that, upon such determination no Holder shall be entitled to claim any indemnification arising from any such event. Any such event shall not constitute an event of default or entitle the Holders to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer.

The determination that all or part of the nominal amount of the Capital Securities will be subject to Statutory Loss Absorption or Recapitalisation may be inherently unpredictable and may depend on a number of factors which may be outside of the Issuer's control. The Resolution

Authority may require or may cause a write down (or apply any other measure under the Applicable Resolution Framework), in circumstances that are beyond the control of the Issuer and with which the Issuer may not agree. It is possible that the Resolution Authority will use its powers under the Applicable Resolution Framework to force a write down or conversion, which could result in the Capital Securities absorbing losses.

Accordingly, trading behaviour in respect of Capital Securities which are subject to Statutory Loss Absorption or Recapitalisation not necessarily expected to follow trading behaviour associated with other types of securities. Any indication or perceived or indication that Capital Securities will become subject to Statutory Loss Absorption or Recapitalisation could have an adverse effect on the market price of the relevant Capital Securities. Potential investors should consider the risk that they may lose all or parts of their investment in such Capital Securities, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption or Recapitalisation occurs.

No scheduled redemption

The Capital Securities are undated securities in respect of which there is no fixed redemption or maturity date. The Issuer is under no obligation to redeem the Capital Securities at any time (see Condition 6 (*Redemption and Repurchase*)); although the Terms and Conditions of the Capital Securities include several options for the Issuer to redeem the Capital Securities, there is no contractual incentive for the Issuer to exercise any of these call options and the Issuer has full discretion under the Terms and Conditions of the Capital Securities not to do so for any reason. There will be no redemption at the option of the Holders.

This means that Holders have no ability to cash in their investment, except:

(a) if the Issuer exercises its rights to redeem or repurchase the Capital Securities;

(b) by selling their Capital Securities; or

(c) by claiming for any principal amounts due and not paid in any bankruptcy or dissolution (*ontbinding*) of the Issuer.

Accordingly, there is uncertainty as to when (if ever) an investor in the Capital Securities will receive repayment of the Prevailing Principal Amount of the Capital Securities or a portion thereof.

There is variation or substitution risk in respect of the Capital Securities

The Issuer may if a Tax Event or a Capital Event has occurred and is continuing or in order to ensure the effectiveness and enforceability of Condition 9 (*Statutory Loss Absorption or Recapitalisation*), subject to compliance with any conditions prescribed under Applicable Banking Regulations, including the prior permission of the Competent Authority if required at the relevant time, but without any requirement for the consent or approval of the Holders, substitute the Capital Securities or vary the terms of the Capital Securities provided that they remain or, as appropriate, become compliant with Applicable Banking Regulations with respect to Additional Tier 1 Capital and that such substitution or variation shall not result in terms that are materially less favourable to the Holders, other than in respect of the effectiveness and enforceability of Condition 9 (*Statutory Loss Absorption or Recapitalisation*) (as reasonably determined by the Issuer). Following such variation or substitution the resulting securities must have *inter alia*, at least, the same ranking and interest rate and the same interest payment dates, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Capital Securities. Nonetheless, no assurance can be given as to whether

any of these changes will negatively affect any particular Holder. In addition, the tax and stamp duty consequences of holding such varied or substituted Capital Securities could be different for some categories of investors from the tax and stamp duty consequences of their holding the Capital Securities prior to such variation or substitution. See Condition 7 (*Substitution and Variation*) of the Terms and Conditions of the Capital Securities.

The Competent Authority has discretion as to whether or not it will approve any substitution or variation of the Capital Securities, if such permission is prescribed under the then Applicable Banking Regulations. Any such substitution or variation which is considered by the Competent Authority to be material shall be treated by it as the issuance of a new instrument. Therefore, the Capital Securities, as so substituted or varied, must be eligible as Additional Tier 1 Capital in accordance with the then prevailing Applicable Banking Regulations, which may include a requirement that (save in certain prescribed circumstances) the Capital Securities may not be redeemed or repurchased prior to five years after the effective date of such substitution or variation.

The regulation and reform of "benchmarks" may adversely affect the value of Capital Securities

(a) Benchmark reform

Indices (including interest rates) which are deemed to be “benchmarks”, including the Euro Interbank Offered Rate (**EURIBOR**) are the subject of national and international regulatory guidance and proposals for reform. Most of these reforms are already effective, including the EU Benchmark Regulation and the UK Benchmark Regulation (together, the **Benchmark Regulation**). These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted.

The Benchmarks Regulation could have a material impact on the Capital Securities, as from the First Reset Date, the Reset Rate of Interest is based on the 5-year Mid-Swap Rate which includes a floating leg based on six-month EURIBOR and which is deemed to be a "benchmark" under the Benchmark Regulation, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

The euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

As such, any significant change to the setting or existence of EURIBOR could affect the ability of the Issuer to meet its obligations under the Capital Securities and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Capital Securities.

(b) Occurrence of a Benchmark Event

Public authorities have recognised that many contracts do not contain references to alternative rates, or reference inappropriate alternatives, or cannot be renegotiated or amended prior to

the cessation of the relevant benchmark. In response, the European Commission has implemented legislation that gives the European Commission the power to replace critical benchmarks if their termination would significantly disrupt or otherwise affect the functioning of the financial markets in the European Union.

Investors should be aware that, pending finalisation of the benchmark reforms described above, if the Original Reference Rate were (permanently) unavailable, the Reset Rate of Interest on the Capital Securities will be determined for the relevant period by the fallback provisions applicable to the Capital Securities. This may result in the effective application of a fixed rate based on the rate which applied in the previous period when the Original Reference Rate was available. The fallback provisions in this respect could have an adverse effect on the value or liquidity of, and return on, the Capital Securities.

If the Original Reference Rate is permanently discontinued, an Independent Adviser or the Issuer, as the case may be, will determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate to determine the Reset Rate of Interest. The use of any such Successor Rate or Alternative Rate to determine the Reset Rate of Interest may result in the Capital Securities performing differently (including paying a lower Reset Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser or the Issuer, the Conditions provide that the Issuer may vary the Conditions, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Holders or any Couponholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser or the Issuer (as applicable), the Conditions also provide that an Adjustment Spread may be determined by the Independent Adviser or the Issuer (as applicable) to be applied to such Successor Rate or Alternative Rate. The aim of the Adjustment Spread is to reduce or eliminate, so far as is practicable, any economic prejudice or benefit (as the case may be) to Holders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate. However, there is no guarantee that such an Adjustment Spread will be determined or applied, or that the application of an Adjustment Spread will either reduce or eliminate economic prejudice to Holders and Couponholders. If no Adjustment Spread is determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Reset Rate of Interest.

If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Rate or an Alternative Rate, the Issuer (acting in good faith and in a commercially reasonable manner) shall use reasonable endeavours to determine a Successor Rate, or, if a Successor Rate is not available, an Alternative Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments. Where, for the purposes of determining any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments, as the case may be, the Issuer will act in good faith as an expert and take into account any relevant and applicable market precedents and customary market usage as well as any published guidance from relevant associations in the establishment of market standards and/or protocols in the international debt capital markets. These arrangements and the appointment of any Independent Adviser or the making of any such determinations by the Issuer may lead to a conflict of interests between the interests of the Issuer (being responsible for the appointment of the Independent Adviser and the compensation of the Independent Adviser), the Independent Adviser and the Holders as the Independent Adviser has discretionary

power in deciding the applicability of a benchmark and/or replacement of amendment of a benchmark. Potential investors should be aware that the Issuer may be involved in general business relationship or/and in specific transactions with the Independent Adviser as the latter party will be an independent financial institution of international repute or an independent financial advisor with appropriate expertise who may hold from time to time debt securities, shares or/and other financial instruments of the Issuer. Consequently, the Issuer and the Independent Adviser might have conflicts of interests that could have an adverse effect to the interests of the Holders in respect of the determination of the interest rate as a result of a benchmark and/or replacement of amendment of a benchmark.

(c) Risk that the Issuer may qualify as a benchmark administrator

Under the Benchmark Regulation, it is possible that (i) the Successor Rate or the Alternative Rate and/or the Adjustment Spread may itself qualify (or be regarded by a supervisor as qualifying) as a benchmark and/or (ii) the Independent Adviser or the Issuer (as applicable) in determining the Successor Rate or the Alternative Rate and/or the Adjustment Spread may itself qualify (or be regarded by a supervisor as qualifying), as a benchmark administrator. In that case the above applies *mutatis mutandis*, which means among other things that (i) the Successor Rate or the Alternative Rate and/or the Adjustment Spread needs to meet the requirements of the Benchmark Regulation and/or (ii) the Independent Adviser or the Issuer (as applicable) may need to be authorised or registered as a benchmark administrator at such time, which may cause delays in applying, or impossibility to apply, the Successor Rate or the Alternative Rate and/or the Adjustment Spread.

(d) Risk that a benchmark is discontinued permanently

In addition, if or when the Original Reference Rate is discontinued permanently, and the Independent Adviser or the Issuer (as applicable), for any reason, is unable to determine any of the Successor Rate or Alternative Rate, or if the Original Reference Rate is otherwise unavailable, the Reset Rate of Interest may revert to the Reset Rate of Interest applicable as at the last preceding Reset Rate of Interest Determination Date before the Original Reference Rate was discontinued or was unavailable, as the case may be, and such Reset Rate of Interest will continue to apply until maturity, effectively making the Capital Securities fixed rate notes.

Uncertainty as to the continuation of a benchmark, the availability of quotes from reference banks to allow for the continuation of the Original Reference Rate, and the rate that would be applicable if the relevant benchmark is discontinued (which may result in effectively a fixed rate being applied for the remainder of the life of the Capital Securities) may adversely affect the trading market and the value of the Capital Securities. Such factors may have the following effect on certain benchmarks: (i) discourage market participants from continuing to administer or contribute to such benchmarks, (ii) trigger changes in the rules or methodologies used in the benchmarks or (iii) lead to the disappearance of the benchmark without being replaced by a successor benchmark.

Any of the above changes or any other consequential changes to the Original Reference Rate as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, may impact the ability of the Issuer to meet its obligations under the Capital Securities which in turn could have a significant effect on the liquidity of, and the amount payable under, the Capital Securities.

The Terms and Conditions of the Capital Securities do not provide for events of default allowing acceleration of the Capital Securities

The Terms and Conditions of the Capital Securities do not provide for events of default allowing acceleration of the Capital Securities if certain events occur, for example if the Issuer fails to pay any amount of interest or principal when due. Also, the Capital Securities cannot cross default based on non-payment on other securities, except where such non-payment on other securities itself results in the winding-up of the Issuer. Accordingly, if the Issuer fails to meet any obligation under the Capital Securities, including the payment of interest or the Prevailing Principal Amount of the Capital Securities following the exercise of a right to redeem the Capital Securities as referred in Condition 6 (*Redemption and Repurchase*), such failure will not give the Holder any right to accelerate the Capital Securities. Accrued but unpaid interest will be deemed cancelled (see the risk factor "*In certain circumstances, the Issuer may decide not to pay interest on the Capital Securities or may be required by the Terms and Conditions of the Capital Securities not to pay such interest*"). The sole remedy available to the Holder for recovery of amounts owing in respect of due but unpaid Prevailing Principal Amount will be to demand payment of its claim in the winding-up or liquidation of the Issuer. Liquidation or winding-up of the Issuer may take place if any of the events specified in the risk factor "*The Capital Securities constitute deeply subordinated obligations*" above were to occur. See Condition 12 (*Limited Remedies in case of Non-Payment*). Holders have limited power to invoke the liquidation of the Issuer and will be responsible for taking all steps necessary for submitting claims in any bankruptcy proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

Any right of set-off of any Holder at any time in respect of any amount owed to it by the Issuer arising under or in connection with the Capital Securities shall be excluded.

A reset of the interest rate could affect the market value of an investment in the Capital Securities

The Rate of Interest of the Capital Securities will be reset as from the First Reset Date and as from each date which falls five, or an integral multiple of five, years after the First Reset Date. Such Rate of Interest will be determined two Business Days prior to the relevant reset date and as such is not pre-defined at the date of issue of the Capital Securities; it may be lower than the Initial Rate of Interest and may adversely affect the yield or market value of the Capital Securities. See also the risk factor "*The regulation and reform of "benchmarks" may adversely affect the value of Capital Securities*" above.

The Capital Securities are subject to modification, waivers and substitution

The Terms and Conditions of the Capital Securities contain provisions for convening meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

The Terms and Conditions of the Capital Securities also provide that, subject to obtaining permission from the Competent Authority if so required, the Issuer and the Agent may, without the consent of Holders, agree to (i) any modification (not being a modification requiring the approval of a meeting of Holders) of the Agency Agreement which is not, in the sole opinion of the Issuer (acting reasonably), materially prejudicial to the interests of Holders, or (ii) any modification of the Capital Securities or the Agency Agreement which is, in the sole opinion of the Issuer (acting reasonably), of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of law or as a result of the operation of a benchmark replacement in accordance with Condition 4.2(d) (*Interest non-cumulative; no event of default*).

It is possible that any modified or substitution Capital Securities will contain Conditions that are contrary to the investment criteria of certain investors. Any resulting sale of the Capital Securities, or of the modified or substitution securities, may be adversely affected by market perception of and price movements in the terms of the modified or substitution securities.

The Capital Securities are subject to optional early redemption, subject to certain conditions

The Issuer may, at its option, redeem all, but not some only, of the Capital Securities on any calendar day during the period commencing on (and including) the First Call Date to (and including) the First Reset Date and on each Interest Payment Date thereafter (the **Issuer Call Option**), or at any time upon the occurrence of a Tax Event or a Capital Event, or at any time if 75 per cent. (seventy-five per cent) or more of the Capital Securities originally issued has been repurchased and cancelled by the Issuer at the time of such election (the **Clean-Up Redemption**), in each case at their Prevailing Principal Amount plus accrued and unpaid interest (if any). Any such redemption shall be subject to Condition 6.7 (*Conditions for Redemption and Repurchase*) which provides, among other things, that (i) the Competent Authority must give its prior written permission and (ii) the Issuer must demonstrate to the satisfaction of the Competent Authority that the Issuer complies with Article 78 CRR (or any equivalent or substitute provision under Applicable Banking Regulations), which may include (a) the replacement of the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer or (b) that the own funds and eligible liabilities of the Issuer would, following such redemption or repurchase, exceed its minimum own funds and eligible liabilities requirements (including any applicable buffer requirements) by a margin that the Competent Authority considers necessary at such time. Also, the Issuer shall have the right to redeem the Capital Securities following a Principal Write-down before the Prevailing Principal Amount has been restored to the Original Principal Amount. Accordingly, Holders risk only receiving the amount of principal so reduced by the Principal Write-down. However, if a Principal Write-down has occurred, the Issuer shall not be entitled to redeem the Capital Securities by exercising the Issuer Call Option or Clean-Up Redemption until the reduced principal amount of the Capital Securities is increased up to their Original Principal Amount pursuant to conditions for Principal Write-up.

An optional redemption feature is likely to limit the market value of the Capital Securities. During any period when the Issuer may elect, or in case of an actual or perceived increased likelihood that the Issuer may elect to redeem the Capital Securities, the market value of the Capital Securities generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. In addition, investors will not receive a make-whole amount or any other compensation in the event of any early redemption of Capital Securities.

It is not possible to predict whether any of the circumstances mentioned above will occur and so lead to the circumstances in which the Issuer is able to elect to redeem the Capital Securities, and if so, whether or not the Issuer will elect to exercise such option to redeem the Capital Securities.

If the Issuer redeems the Capital Securities in any of the circumstances mentioned above, there is a risk that the Capital Securities may be redeemed at times when the redemption proceeds are less than the current market value or the Original Principal Amount of the Capital Securities or when prevailing interest rates may be relatively low, in which latter case investors may only be able to reinvest the redemption proceeds in securities with a lower yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

Definitive Capital Securities where denominations involve integral multiples may be subject to minimum denomination considerations

As the Capital Securities have a denomination consisting of the minimum denomination of €200,000 plus integral multiples of €1,000 in excess thereof up to (and including) €399,000, it is possible that such Capital Securities may be traded in amounts that are not integral multiples of such minimum denomination of €200,000. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum denomination of €200,000 in its account with the relevant clearing system at the relevant time may not receive a Definitive Capital Security in respect of such holding (in the limited circumstances in which Definitive Capital Securities could be printed) and would need to purchase a principal amount of Capital Securities such that its holding amounts to €200,000.

If Definitive Capital Securities would ever be issued, holders should be aware that Definitive Capital Securities which have a denomination that is not an integral multiple of minimum denomination of €200,000 may be illiquid and difficult to trade.

B. Risks related to holding of the Capital Securities

Change of law and jurisdiction may impact the Capital Securities

Change of law

No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any applicable laws, regulations or administrative practices after the date of this Securities Note. Such changes in law (including tax laws) may include, but are not limited to, the introduction of, or amendments to, a variety of statutory resolution and loss absorption tools and regulatory and resolution capital requirements which may affect the rights of Holders or the risks attached to an investment in the Capital Securities.

Jurisdiction

Potential investors should note that the courts of the Netherlands shall have jurisdiction in respect of any disputes involving the Capital Securities. Holders may take any suit, action or proceedings arising out of or in connection with the Capital Securities against the Issuer in any court of competent jurisdiction. Dutch law may be materially different from the equivalent law in the home state jurisdiction of potential investors in its application to the Capital Securities.

Because the Global Capital Security is held on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on the procedures for transfer, payment and communication with the Issuer of Euroclear and Clearstream, Luxembourg and any nominee service providers used by such investors to hold their investment in the Capital Securities

The Capital Securities will be represented by the Temporary Global Security which is exchangeable for the Permanent Global Security. The Global Capital Securities will be held by a common safekeeper for Euroclear and Clearstream, Luxembourg. Holders will not be entitled to receive Definitive Capital Securities, except in certain limited circumstances, as more fully described in the section headed "*Form of the Capital Securities*" below. For as long as the Capital Securities are represented by a Global Capital Security held by a common safekeeper for Euroclear and/or Clearstream, Luxembourg, payments of principal, interest (if any) and any other amounts on the Global Capital Securities will be made through Euroclear and/or Clearstream, Luxembourg (as the case may be) against presentation or surrender (as the case may be) of the relevant Global Capital Security. The bearer of the relevant Global Capital Security, being the common safekeeper for Euroclear and/or Clearstream, Luxembourg, shall be treated by the Issuer and any Paying Agent and the Agent as the sole holder of the Capital Securities represented by such Global Capital Security with respect to the payment of principal,

interest (if any) and any other amounts payable in respect of the Capital Securities. No person other than the holder of such Global Capital Security shall have any claim against the Issuer in respect of any payments due on that Global Capital Security. The term Holder in these risk factors and the Terms and Conditions should be construed accordingly.

Consequently, where a nominee service provider is used by an investor to hold the relevant Capital Securities or such investor holds interests in any Capital Securities through accounts with Euroclear or Clearstream, Luxembourg, such investor must look solely to Euroclear or Clearstream, Luxembourg and the relevant nominee service provider for its share of each payment made by the Issuer in respect of principal, interest, (if any) or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider and Euroclear or Clearstream, Luxembourg, as the case may be. Such investor must rely on the relevant nominee service provider or Euroclear or Clearstream, Luxembourg, as the case may be, to distribute all payments attributable to the relevant Capital Securities which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as the Issuer.

For the purposes of (a) distributing any notices to Holders, (b) recognizing Holders for the purposes of attending and/or voting at any meetings of holders and (c) a notice, following any of the events listed in Condition 12 (*Limited Remedies in case of Non-Payment*), by any Holder in which it is declared that the Capital Security held by a Holder is forthwith due and payable (as described in Condition 12 (*Limited Remedies in case of Non-Payment*)), the Issuer will recognise as Holders only those persons who are at any time shown as accountholders in the records of Euroclear and/or Clearstream, Luxembourg as persons holding a principal amount of Capital Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Capital Securities. Accordingly, unless it is an accountholder itself, an investor cannot act directly against the Issuer and must rely upon the nominee service provider which is the accountholder with Euroclear and/or Clearstream, Luxembourg through which the investor made arrangements to invest in the Capital Securities, to forward notices received by it from Euroclear and/or Clearstream, Luxembourg, to return the investor's voting instructions or voting certificate application to Euroclear and/or Clearstream, Luxembourg or to forward the notice referred to under (c) above to the Issuer at the specified office of the Agent. Accordingly, such an investor will be exposed to the risk that the relevant nominee service provider or Euroclear and/or Clearstream, Luxembourg may fail to pass on the relevant notice to, or fail to take relevant instructions from, the investor. In addition, such a holder will only be able to trade any Capital Security held by it with the assistance of Euroclear and/or Clearstream, Luxembourg and/or the relevant nominee service provider, as the case may be.

Furthermore, should a Capital Security be accelerated in the limited circumstances described in Condition 12 (*Limited Remedies in case of Non-Payment*) (see the risk factor "*The Terms and Conditions of the Capital Securities do not provide for events of default allowing acceleration of the Capital Securities*" above) where any Capital Security is still represented by a Global Capital Security, only investors which are accountholders holding their Capital Securities so represented and credited to their account with Euroclear or Clearstream, Luxembourg, will become entitled to proceed directly against the Issuer (**direct rights**). Any other investors in the Capital Securities will have to rely upon the nominee service provider which is the accountholder with Euroclear and/or Clearstream, Luxembourg through which such investor made arrangements to invest in the Capital Securities or should require such nominee service provide to transfer such direct rights to the investor.

None of the Issuer, the Sole Lead Manager or the Agent shall be responsible for the acts or omissions of any relevant nominee service provider or Euroclear or Clearstream, Luxembourg, nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or Euroclear or Clearstream, Luxembourg.

An investor's actual yield on the Capital Securities may be reduced from the stated yield by transaction costs

When Capital Securities are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Capital Securities. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of the Capital Securities (direct costs), investors must also take into account any follow-up costs (such as custody fees). Potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Capital Securities before investing in the Capital Securities.

Notes in New Global Note form

The New Global Note (**NGN**) form has been introduced to allow for the possibility of debt instruments being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the **Eurosystem**) and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Investors should make their own assessment as to whether the Capital Securities meet such Eurosystem eligibility criteria, as updated from time to time and generally published on the website of the European Central Bank. If the Capital Securities do not satisfy the Eurosystem eligibility criteria, the Capital Securities will not be eligible collateral of the Eurosystem and this may adversely affect the market value of the Capital Securities.

Tax consequences of holding the Capital Securities may be complex

Potential purchasers and sellers of the Capital Securities should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the country where the Capital Securities are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available in relation to the tax treatment of financial instruments such as the Capital Securities. Potential investors are advised not to rely solely upon the tax summary contained in this Securities Note but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Capital Securities. Only such adviser is in a position to duly consider the specific situation of the potential investor. This risk factor should be read in connection with the taxation sections of this Securities Note. See "*Taxation*" below.

Holders may be subject to withholding tax under FATCA

Under sections 1471-1474 of the United States Internal Revenue Code of 1986 enacted by the United States as part of the HIRE Act in March 2010 (commonly referred to as Foreign Account Tax Compliance Act, (**FATCA**)), payments may be subject to withholding if the payment is either

US source, or a foreign pass thru payment. The Netherlands has concluded an agreement with the United States of America to Improve International Tax Compliance and to Implement FATCA, a so-called IGA. Under this agreement, parties are committed to work together, along with other jurisdictions that have concluded an IGA, to develop a practical and effective alternative approach to achieve the FATCA objectives of foreign pass thru payments and gross proceeds withholding that minimizes burden. The Issuer is established and resident in the Netherlands and therefore benefits from this IGA.

If an amount in respect of FATCA withholding tax were to be deducted or withheld from any payments on the Capital Securities, neither the Issuer nor any paying agent would be required to pay any additional amounts as a result of the deduction or withholding of such tax. As a result, investors who are non-US financial institutions (**FFI**) that have not entered into an FFI agreement (or otherwise established an exemption from withholding under FATCA), Holders that hold Capital Securities through such FFIs or investors that are not FFIs but have failed to provide required information or waivers to an FFI, may be subject to withholding tax for which no additional amount will be paid by the Issuer. Holders should consult their own tax advisers on how these rules may apply to payments they receive under the Capital Securities.

Financial transaction tax

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common financial transaction 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 Capital Securities (including secondary market transactions) in certain circumstances.

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 Capital Securities 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 FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementations, the timing of which remains unclear. Additional EU Member States may decide to participate.

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

Deductibility of payments on the Capital Securities

Subject to the analysis below, the Issuer expects the Capital Securities should be treated as debt for Dutch tax purposes. Consequently, coupon payments should be considered interest payments for Dutch corporate tax purposes and as such be eligible for deduction from the corporate income tax base of the Issuer. Whether such payments will lead to effective deductions will depend on a number of factors as well as general limitations restricting interest deductibility, which may or may not apply irrespective of the tax treatment of the Capital Securities as such.

If the relevant debt instrument effectively functions as equity for Dutch tax purposes coupon payments should not be considered interest payments for Dutch corporate tax purposes and as such not be eligible for deduction.

Pursuant to prevailing case law, debt instruments only effectively function as equity for Dutch tax purposes in the situation where all of the following three criteria (the **Hybrid Debt Criteria**) have been met:

(i) the instrument has no fixed maturity or a maturity in excess of 50 years and early repayment cannot be claimed outside liquidation or bankruptcy;

(ii) the debt is subordinated to all other non-preferred creditors of the borrower; and

(iii) the remuneration on the debt depends on the profits of the borrower.

Whether or not the interest is paid under the Capital Securities depends on, among others, the sole discretion of the Issuer as it may elect to cancel the interest payable under the Capital Securities. Therefore, in line with prevailing case law, the interest payments under the Capital Securities should not depend on the Issuer's profits.

In this respect, in May 2020, the Dutch Supreme Court (*Hoge Raad*) confirmed that perpetual securities to the extent that they resemble the Capital Securities in respect of the relevant material characteristics qualify as debt under civil law. The Dutch Secretary for Finance seems to share this view. As a result of this judgment of the Dutch Supreme Court, the Dutch Secretary of Finance considers that, additional Tier 1-capital qualifies as a debt for tax purposes.

On the basis of the above, there are arguments that the remuneration on the Capital Securities does not qualify as being dependent on the profits of the Issuer and therefore the third requirement of the Hybrid Debt Criteria is not met. Therefore, the Capital Securities would not meet all Hybrid Debt Criteria and consequently the Capital Securities should not effectively function as equity for Dutch tax purposes.

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), if, in accordance with Condition 6.3 (*Redemption for Taxation Reasons*) as a result of any change in, or amendment to the law or the application or interpretation thereof, payments of interest payable by the Issuer in respect of the Capital Securities would no longer be deductible in whole or in part – because e.g., the Capital Securities would meet the Hybrid Debt Criteria in full (a Tax Event) – then the Issuer may, at its option redeem the Capital Securities, in whole, but not in part, at their principal amount or exchange all (but not some only) of the Capital Securities for, or vary the terms of the Capital Securities so that they become or remain, Additional Tier 1 Securities.

C. Risks related to the market

A secondary market may not develop for the Capital Securities

If the Capital Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

The Capital Securities may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Capital Securities easily or at prices that will provide them with a yield

comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Capital Securities.

Market liquidity in hybrid financial instruments similar to the Capital Securities has historically been limited. In the event a Trigger Event occurs in relation to an Additional Tier 1 instrument or interest payments are suspended, potential price contagion and volatility to the entire asset class is possible. Any indication or perceived indication that the Issuer CET1 Ratio, is trending towards the Trigger Event, the minimum applicable CBR and/or the Maximum Distributable Amount trigger level may have an adverse effect on the market price of the Capital Securities. Similarly, any indication or perceived indication that the amount of Distributable Items available to pay interest on the Capital Securities is decreasing may have an adverse effect on the market price of the Capital Securities. Moreover, the Issuer's discretion regarding the payment of interest significantly increases uncertainty in the valuation of Additional Tier 1 instruments, this uncertainty might have a negative impact on liquidity and volatility of the Capital Securities.

Moreover, although pursuant to Condition 6.6 (*Repurchases*) the Issuer can repurchase Capital Securities, the Issuer is not obliged to do so and any such repurchase is subject to permission by the Competent Authority and restricted in any case in the first five years after the Issue Date unless permitted by Applicable Banking Regulations. Repurchases made by the Issuer could affect the liquidity of the secondary market of the Capital Securities and thus the price and the conditions under which investors can negotiate these Capital Securities on the secondary market. Furthermore, the Capital Securities may trade with accrued interest, which may be reflected in the trading price of the Capital Securities. However, if a payment of interest on any interest payment date is cancelled (in whole or in part) as described herein and thus is not due and payable, purchasers of such Capital Securities will not be entitled to such interest payment on the relevant interest payment date.

In addition, investors should be aware of the prevailing and widely reported global credit market conditions, whereby there is a general lack of liquidity in the secondary market which may result in investors suffering losses on the Capital Securities in secondary resales even if there is no decline in the performance of the Capital Securities or the assets of the Issuer. The Issuer cannot predict whether these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Capital Securities and instruments similar to the Capital Securities at that time.

Although application has been made for the Capital Securities to be listed on Euronext Amsterdam, there is no assurance that such application will be accepted or that an active trading market will develop.

The Capital Securities are subject to exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Capital Securities in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the specified currency of the Capital Securities would decrease (1) the Investor's Currency-equivalent yield on the Capital Securities, (2) the Investor's Currency-equivalent value of the principal payable on the Capital Securities and (3) the Investor's Currency-equivalent market value of the Capital Securities.

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

The price of Capital Securities is affected by changes in interest rates

Investment in the Capital Securities involves the risk that subsequent changes in market interest rates may adversely affect the value of the Capital Securities.

Credit ratings assigned to the Issuer or the Capital Securities may not reflect all the risks associated with an investment in the Capital Securities

S&P has assigned or is expected to assign an expected rating to the Capital Securities. In addition, S&P has assigned credit ratings to the Issuer. These ratings may not reflect the potential impact of all risks related to the structure, market, additional factors discussed above, and other factors that may affect the value of the Capital Securities or the standing of the Issuer. A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances in the future so warrant.

Such change may, among other factors, be due to a change in the methodology applied by a rating agency to rating securities with similar structures to the Capital Securities, as opposed to any revaluation of the Issuer's financial strength or other factors such as conditions affecting the financial services industry generally. Holders and prospective investors should be aware that such a change in the methodology of a rating agency could result in the Capital Securities being downgraded, potentially to non-investment grade or receiving a lower rating than that is currently or at the time of the offering of the Capital Securities expected from that rating agency. In addition, a downgrading of the Issuer's credit ratings, as a result of a change in rating methodology or otherwise, could adversely affect the Issuer's access to liquidity alternatives and its competitive position, and could increase the cost of funding or trigger additional collateral requirements all of which could have a material adverse effect on the Issuer's results of operations.

In the event that a rating assigned to the Capital Securities or the Issuer is subsequently lowered for any reason, the market value of the Capital Securities is likely to be adversely affected, but no person or entity is obliged to provide any additional support or credit enhancement with respect to the Capital Securities.

The Issuer, the Agent, the Sole Lead Manager and their affiliates may engage in transactions adversely affecting the interests of the Holders

The Agent, the Sole Lead Manager and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. In addition, in the ordinary course of its business activities, the Sole Lead Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Sole Lead Manager and its 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. Potential investors should be

aware that the interests of the Issuer may conflict with the interests of the Holders. Moreover, investors should be aware that the Issuer, acting in whatever capacity, will not have any obligations *vis-à-vis* investors and, in particular, it will not be obliged to protect the interests of investors.

OVERVIEW

This overview must be read as an introduction to this Securities Note and any decision to invest in any Capital Securities should be based on a consideration of this Securities Note as a whole, including the documents incorporated by reference. The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Securities Note.

Words and expressions defined in "*Terms and Conditions of the Capital Securities*" and "*Form of the Capital Securities*" below, respectively, shall have the same meanings in this overview.

Issuer:	Van Lanschot Kempen N.V.
Structuring Advisor and Sole Lead Manager:	Morgan Stanley Europe SE
The Capital Securities:	€100,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resettable Callable Capital Securities
Principal Paying Agent:	Citibank N.A., London Branch
Currency:	Euro
Issue Price:	100 per cent. of the Original Principal Amount of the Capital Securities
Issue Date:	29 January 2024
Form:	The Capital Securities are in bearer new global note (**NGN**) form and will initially be represented by a Temporary Global Capital Security which will be deposited on the Issue Date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. The Temporary Global Capital Security will be exchangeable as described therein for a Permanent Global Capital Security not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Permanent Global Capital Security will be exchangeable for Definitive Capital Securities only upon the occurrence of an Exchange Event and if permitted by applicable law, all as described in "*Form of the Capital Securities*" below. Any interest in a Global Capital Security will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg.
Maturity Date:	The Capital Securities are perpetual and have no fixed maturity date.

Denominations: €200,000 and integral multiples of €1,000 in excess thereof up to (and including) €399,000.

Status: The Capital Securities constitute unsecured and deeply subordinated obligations of the Issuer.

Subject to exceptions provided by mandatory applicable law (including as provided pursuant to Section 212rf Dutch Bankruptcy Code (*Faillissementswet*)), the rights and claims (if any) of the Holders to payment under the Capital Securities in respect of the Prevailing Principal Amount shall in the event of the liquidation or bankruptcy of the Issuer rank *pari passu* without preference among themselves and:

(a) junior to the rights and claims of creditors in respect of Senior Obligations, present and future;

(b) *pari passu* with all rights and claims of creditors in respect of Parity Obligations, present and future; and

(c) senior only to the rights and claims of creditors in respect of Junior Obligations, present and future.

By virtue of such subordination, payments to a Holder in respect of the Prevailing Principal Amount will, in the event of the liquidation or bankruptcy of the Issuer, only be made after all Senior Obligations of the Issuer have been satisfied.

Subject to exceptions provided by mandatory and/or overriding applicable law (including as provided pursuant to Section 212rf Dutch Bankruptcy Code), any accrued but unpaid interest (to the extent not cancelled in accordance with these Conditions) on any Capital Security shall in the event of the liquidation or bankruptcy of the Issuer rank above Own Funds, *pari passu* without any preference among themselves and junior to all unsubordinated rights and claims (including with respect to the repayment of borrowed money).

No Holder or Couponholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Capital Securities. To the extent that any Holder or Couponholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Holder or Couponholder is required to immediately transfer to the Issuer an amount equal to the amount which purportedly has been set off or netted (such a transfer, a **Set-off Repayment**) and no rights can be derived from the relevant Capital Securities or Coupons until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting by a Holder or Couponholder shall be exclusively governed by Dutch law.

Interest:

Subject as described under "Interest Cancellation" below, interest will accrue on the outstanding Prevailing Principal Amount of the Capital Securities on a non-cumulative basis:

(a) from (and including) the Issue Date to (but excluding) the First Reset Date, at a fixed rate of 8.875 per cent. per annum; and

(b) from (and including) the First Reset Date and thereafter, at a fixed rate per annum reset on each Reset Date based on the prevailing 5-year Mid-Swap Rate plus 6.437 per cent.,

payable semi-annually in arrear in equal instalments on 1 April and 1 October of each year.

Interest Cancellation:

The Issuer may, in its sole discretion (but subject at all times to the requirements for mandatory cancellation of interest payments), elect to cancel any interest

payment (in whole or in part) which is otherwise due to be paid.

Further, the Issuer shall cancel (in whole or in part, as applicable) any interest payment, including Additional Amounts thereon, where applicable, otherwise due to be paid to the extent that:

(a) the payment of such interest, including Additional Amounts thereon, where applicable, when aggregated with any interest payments or distributions paid or scheduled for payment on the Capital Securities and all other own funds instruments (including any Additional Amounts in respect thereof but excluding any Tier 2 instruments) plus any principal write-ups, where applicable, would cause the amount of Distributable Items (if any) then available to the Issuer to be exceeded; or

(b) the payment of such interest, including Additional Amounts thereon, where applicable, would cause, when aggregated together with other distributions of the kind referred to in Section 3:62b(2) Wft (implementing Article 141(2) CRD IV Directive), Section 3:62ba(2) Wft (implementing Article 141b(2) CRD IV Directive), Section 3a:11b Wft (implementing Article 16a BRRD) or Article 10a SRMR or in any Applicable Banking Regulations plus any principal write-ups, where applicable, the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded; or

(c) the Competent Authority orders the Issuer to cancel the payment of such interest.

Any interest (or part thereof) not paid by reason of cancellation above or pursuant to Condition 8.1(c) (*Cancellation of interest and Principal Write-down*) shall be cancelled and shall not:

(i) accumulate or be payable at any time thereafter and Holders shall have no further rights or claims in respect of any interest (or part thereof) not paid, whether in the case of bankruptcy, liquidation or the dissolution or winding up of the Issuer or otherwise;

(ii) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;

(iii) entitle the Holders to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer; or

(iv) in any way impose restrictions on the Issuer, including (but not limited to) restricting the Issuer from making any distribution or equivalent payment in connection with Junior Obligations or Parity Obligations.

Trigger Event and Principal Write-down:

A **Trigger Event** will occur if, at any time the Issuer CET1 Ratio is less than 5.125 per cent. as determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority.

On a Trigger Event Write-down Date, the Issuer shall:

(a) irrevocably cancel all interest accrued on each Capital Security up to (and including) the Trigger Event Write-down Date (whether or not the same has become due at such time); and

(b) irrevocably reduce the then Prevailing Principal Amount of each Capital Security by the relevant Write-down Amount (such reduction being referred to as a **Principal Write-down**, and **Written Down** being construed accordingly) with effect from the Trigger Event Write-down

Date, such Principal Write-down to be effected, save as may be otherwise required by Applicable Banking Regulations and/or the Competent Authority, subject to Condition 8.1(e) (*Consequences of a write-down or conversion*), *pro rata* and concurrently with the Principal Write-down of the other Capital Securities and the write-down or conversion into equity (as the case may be) of the then prevailing principal amount of any Parity Loss Absorbing Instruments.

Write-down Amount means, on any Trigger Event Write-down Date, the amount by which the then Prevailing Principal Amount of each outstanding Capital Security is to be Written Down and which is calculated per Calculation Amount of such Capital Security, being the minimum of:

(i) the amount per Calculation Amount (together with, subject to Condition 8.1(e) (*Consequences of a write-down or conversion*), the concurrent pro rata Principal Write-down of the other Capital Securities and the write-down or conversion into equity of the prevailing principal amount of any Parity Loss Absorbing Instruments and the prior or concurrent write down or conversion into equity of all of the outstanding principal amount of any Prior Loss Absorbing Instruments) that would be sufficient to immediately restore the Issuer CET1 Ratio to not less than 5.125 per cent., provided that, with respect to each Prior Loss Absorbing Instrument and/or Parity Loss Absorbing Instrument (if any), such pro rata write down and/or conversion shall only be taken into account to the extent required to restore the Issuer CET1 Ratio contemplated above to the lower of (x) such Prior Loss Absorbing Instrument's and/or Parity Loss Absorbing Instrument's trigger level and (y) the trigger level in respect of which the relevant Trigger

Event under the Capital Securities has occurred, in each case, in accordance with the terms of the relevant instruments and the Applicable Banking Regulations; or

(ii) the amount necessary to reduce the Prevailing Principal Amount of the Capital Security to one cent.

A Principal Write-down may occur on one or more occasions and accordingly the Capital Securities may be Written Down on one or more occasions (provided, however, that the principal amount of a Capital Security shall never be reduced to below one cent).

Any Principal Write-down of the Capital Securities shall not:

(a) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;

(b) constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer.

The Holders shall have no further rights or claims against the Issuer (whether in the case of bankruptcy (*faillissement*), liquidation (*liquidatie*) or the dissolution or winding up (*ontbinding en vereffening*) of the Issuer or otherwise) with respect to any interest cancelled and any principal Written Down (including, but not limited to, any right to receive accrued but unpaid and future interest or any right of repayment of principal, but without prejudice to their rights in respect of any reinstated principal following a Principal Write-up as described under "Principal Write-up" below).

In addition, the Competent Authority shall be entitled to write down the Capital Securities

in accordance with its statutory powers, as more fully described under "*Statutory Loss Absorption or Recapitalisation*" below.

Principal Write-up:

Subject to compliance with the Applicable Banking Regulations, if a positive Net Result is recorded (a **Return to Financial Health**) at any time while the Prevailing Principal Amount is less than the Original Principal Amount, the Issuer may, at its full discretion but subject to the Maximum Distributable Amount (when aggregated together with relevant distributions of the Issuer of the kind referred to in Section 3:62b(2) Wft (implementing Article 141(2) CRD IV Directive) Section 3:62ba(2) Wft (implementing Article 141b(2) CRD IV Directive), Section 3a:11(b) Wft (implementing Article 16a BRRD) or Article 10a SRMR or in any Applicable Banking Regulations which require a maximum distributable amount to be calculated and taken into account for this purpose)) not being exceeded thereby, increase the Prevailing Principal Amount of each Capital Security (a **Principal Write-up**) up to a maximum of its Original Principal Amount on a *pro rata* basis with the other Capital Securities and with any other Discretionary Temporary Write-down Instruments (based on the then prevailing principal amounts thereof), provided that the Maximum Write-up Amount is not exceeded.

The **Maximum Write-up Amount** means the Net Result (i) multiplied by the aggregate issued original principal amount of all Written-Down Additional Tier 1 Instruments, and (ii) divided by the Tier 1 Capital of the Issuer as at the date when the Principal Write-up is operated, both (i) and (ii) as calculated on a consolidated or a solo basis (as applicable).

For the avoidance of doubt, the principal amount of a Capital Security shall never be increased in excess of its Original Principal Amount.

Statutory Loss Absorption or Recapitalisation:

The Capital Securities may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the relevant Resolution Authority) that

	(a) all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off or otherwise be applied to absorb losses (such loss absorption, **Statutory Loss Absorption**), subject to write-up by the Resolution Authority or (b) all or part of the nominal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be converted into CET1 instruments (such conversion, **Recapitalisation**), all as prescribed by the Applicable Resolution Framework. Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Capital Securities subject to Statutory Loss Absorption or Recapitalisation shall be written off or otherwise be applied to absorb losses or converted into CET1 instruments, as prescribed by the Applicable Resolution Framework (ii) Holders have no further rights or claims, whether in the case of bankruptcy, liquidation or the dissolution or winding up of the Issuer or otherwise in respect of any amount written off or subject to conversion or otherwise as a result of such Statutory Loss Absorption or Recapitalisation, (iii) such Statutory Loss Absorption or Recapitalisation shall not constitute an event of default or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever and (iv) such Statutory Loss Absorption or Recapitalisation shall not constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the bankruptcy, liquidation, dissolution or winding up of the Issuer.
Issuer Call Option on and after the First Call Date:	Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), the Issuer may, at its option, redeem the Capital Securities on (i) any calendar day during the period commencing on (and including) the First Call Date to (and including) the First Reset Date and (ii) on each Interest Payment Date after the First Reset Date, in whole but not in part, at their Prevailing Principal Amount, together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with the Conditions)

to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*)).

Tax Call Option:

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), if, on the occasion of the next payment due under the Capital Securities, a Tax Event has occurred, then the Issuer may, at its option, redeem the Capital Securities in whole (but not in part), at any time at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with the Conditions) to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*).

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the date falling on the fifth anniversary of the Issue Date on the occurrence of a Tax Event if, without prejudice to Condition 6.7 (*Conditions for Redemption and Repurchase*), the Tax Event constitutes a change in the applicable tax treatment of the Capital Securities and the Issuer demonstrates to the satisfaction of the Competent Authority that such change is material and was not reasonably foreseeable at the time of their issuance. **Tax Event** means that as a result of, or in connection with, any change in, or amendment to, or proposed amendment to, the laws or regulations of, or applicable in, the Netherlands or any political subdivision thereof or any authority or agency thereof or therein having power to tax, or any change in the application or official interpretation or the pronouncement by any relevant tax authority that differs from the previously generally accepted position in relation to the Capital Securities, which change or amendment becomes effective on or after the Issue Date (a) to the extent (prior to the relevant (proposed) amendment, change or pronouncement) the Issuer is entitled to claim full or substantially full relief for the purposes of Dutch corporate income tax for any interest payable under the Capital Securities, it will not obtain full or substantially full relief for the purposes of

Dutch corporate income tax for any interest payable under the Capital Securities or (b) on the occasion of the next payment due under the Capital Securities, the Issuer has or will become obliged to pay Additional Amounts as provided or referred to in Condition 10 (*Taxation*).

Regulatory Call Option:

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), the Issuer may at its option redeem the Capital Securities (in whole but not in part), at any time at their Prevailing Principal Amount, together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with the Conditions) to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*).

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the date falling on the fifth anniversary of the Issue Date on the occurrence of a Capital Event if, without prejudice to Condition 6.7 (*Conditions for Redemption and Repurchase*), the Competent Authority considers the Capital Event sufficiently certain and the Issuer demonstrates to the satisfaction of the Competent Authority that the Capital Event was not reasonably foreseeable at the time of their issuance.

A **Capital Event** shall occur if there is a change in the regulatory classification of the Capital Securities that has resulted or would be likely to result in the Capital Securities being excluded, in whole or in part, from the Additional Tier 1 Capital of the Issuer or reclassified own funds of a lower quality form of the Issuer (in each case on a consolidated and/or solo basis, as applicable), which change in regulatory classification (or reclassification) becomes effective on or after the Issue Date. For the avoidance of doubt, a Capital Event shall not be deemed to have occurred in case of a partial exclusion of the Capital Securities as a result of (i) a Principal Write-down or (ii) a change in the regulatory assessment of the tax effects of a Principal Write-down.

Clean-Up Call Option:

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), the Issuer, at any time after the Issue Date, may, at its option, redeem the Capital Securities in whole (but not in part), at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with the Conditions) to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*) if 75 per cent. (seventy-five per cent.) or more of the Capital Securities originally issued has been purchased and cancelled at the time of such election.

Conditions for Redemption and Repurchase:

Any optional redemption of Capital Securities and any repurchase of Capital Securities is, inter alia, subject to:

(a) the Competent Authority having given its prior written permission to such redemption or repurchase;

(b) the Issuer having demonstrated to the satisfaction of the Competent Authority that the Issuer complies with Article 78 CRR (or any equivalent or substitute provision under Applicable Banking Regulations), which may include (a) the replacement of the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer or (b) that the own funds and eligible liabilities of the Issuer would, following such redemption or repurchase, exceed its minimum own funds and eligible liabilities requirements (including any applicable buffer requirements) by a margin that the Competent Authority considers necessary at such time;

(c) if, in the case of a redemption as a result of a Tax Event, an opinion of a recognised law firm of international standing has been delivered to the

Issuer, to the effect that the relevant Tax Event has occurred; and

(d) notwithstanding the above conditions, if, at the time of such redemption or repurchase, the prevailing Applicable Banking Regulations permit the repayment or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out above, the Issuer having complied with such other and/or (as appropriate) additional pre-condition(s).

Following the occurrence of a Principal Write down, the Issuer shall not be entitled to redeem the Capital Securities pursuant to Condition 6.2 (*Redemption at the Option of the Issuer*) and Condition 6.5 (*Clean-Up Redemption*) until the principal amount of the Capital Securities is increased up to their Original Principal Amount (and any notice of redemption which has been given in such circumstances shall be automatically rescinded and shall be of no force and effect).

Taxation:

All amounts payable (whether in respect of principal, redemption amount, interest or otherwise) in respect of the Capital Securities will be made without withholding or deducting taxes of the Netherlands, unless such withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as will result in the Holders receiving such amounts of interest as they would have received in respect of the Capital Securities had no such withholding been required, subject to certain exceptions, as provided in Condition 10 (*Taxation*).

Substitution and Variation:

The Issuer may if a Capital Event or a Tax Event has occurred and is continuing or in order to ensure the effectiveness and enforceability of Condition 9 (*Statutory Loss Absorption or Recapitalisation*), subject to compliance with any conditions prescribed under Applicable Banking Regulations, including the prior permission of the Competent Authority (if required), at its option, without any requirement for the

consent or approval of the Holders, substitute all (but not some only) of the Capital Securities or vary the terms of all (but not some only) of the Capital Securities provided that they remain or, as appropriate, become compliant with Applicable Banking Regulations with respect to Additional Tier 1 Capital and that such substitution or variation shall not result in terms that are materially less favourable to the Holders, other than in respect of the effectiveness and enforceability of Condition 9 (*Statutory Loss Absorption or Recapitalisation*) (as reasonably determined by the Issuer).

Following such variation or substitution the resulting securities must have at least, *inter alia*, the same ranking, interest rate, interest payment dates, redemption rights, existing rights to accrued interest which has not been paid as the Capital Securities, and credit ratings equal to those assigned to the Capital Securities which ratings were solicited by the Issuer.

Repurchases:

The Issuer or any of its subsidiaries may at their option, subject to Condition 6.7 (*Conditions for Redemption and Repurchase*) (as applicable), at any time repurchase Capital Securities in the open market or otherwise and at any price, save that any such repurchase may not take place within 5 years after the Issue Date subject to, if and to the extent then required by Applicable Banking Regulations at the relevant time, (i) the Issuer having before or at the same time as such purchase, replaced the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority having permitted such purchase on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances or (ii) the Capital Securities being purchased for market making purposes in accordance with Applicable Banking Regulations. Such Capital Securities may be held, re-issued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

Limited Remedies in case of Non-Payment:

Any failure by the Issuer to pay interest or the Prevailing Principal Amount when due in respect of the Capital Securities shall not constitute an event of default and does not give Holders any right to demand repayment of the Prevailing Principal Amount.

If any of the following events shall have occurred and be continuing:

(a) the Issuer is declared bankrupt (*failliet*); or

(b) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Capital Securities,

then any Holder may declare its Capital Securities to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Prevailing Principal Amount and any accrued but unpaid interest from the previous Interest Payment Date up to (but excluding) the date of repayment (unless cancelled or deemed cancelled) provided that repayment of Capital Securities will only be effected after the Issuer has obtained the prior written permission of the Competent Authority (provided that at the relevant time such permission is required).

No other remedy against the Issuer shall be available to the Holders, whether for recovery of amounts owing in respect of the Capital Securities or in respect of any breach by the Issuer of any of its obligations under or in respect of the Capital Securities.

Meetings of Holders and Modification:

The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of videoconference platform) of the Holders to consider matters relating to the Capital Securities, including the sanctioning by an Extraordinary Resolution of

	a modification of the Capital Securities or certain provisions of the Agency Agreement. Subject to obtaining the permission therefore from the Competent Authority if so required, the Agent and the Issuer may agree, without the consent of the Holders, to: (a) any modification (except as mentioned above) of the Agency Agreement which is not, in the sole opinion of the Issuer (acting reasonably), materially prejudicial to the interests of the Holders; or (b) any modification of the Capital Securities or the Agency Agreement which is, in the sole opinion of the Issuer, of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of law or as a result of the operation of a benchmark replacement in accordance with Condition 4.2(d) (*Interest non-cumulative; no event of default*).
Governing Law:	The Capital Securities and the Agency Agreement will be governed by, and construed in accordance with, the laws of the Netherlands.
Credit Rating:	The Capital Securities are expected to be rated BB by S&P. S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). A 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.
Approval, Listing and Admission to Trading:	Application has been made to the AFM to approve this document as a securities note and for the Capital Securities to be listed on Euronext Amsterdam.
Selling Restrictions:	There are selling restrictions in relation to the United Kingdom, the EEA, the United States, France, Italy, Japan, Switzerland and Belgium see "*Subscription and Sale*" below.

	The Issuer is Category 2 for the purposes of Regulation S under the U.S. Securities Act of 1933, as amended. The TEFRA D Rules shall apply.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Capital Securities. These include risks relating to the Issuer's business and factors which are material for the purpose of assessing the market risks associated with the Capital Securities. These include the fact that the Capital Securities may not be a suitable investment for all investors and certain market risks, see the section "Risk Factors" above and in the Registration Document under the section “Risk Factors”.
Use of Proceeds:	The proceeds of the issue of the Capital Securities will be applied by the Issuer for its general corporate purposes and to strengthen its capital base.
Clearing Systems:	Euroclear and Clearstream, Luxembourg
ISIN:	XS2746119952
Common Code:	274611995
CFI:	DBVNPB
FISN:	F.VAN LANSCH.BN/VAREUR NT PERP

IMPORTANT INFORMATION

This Securities Note constitutes a securities note for the purposes of the Prospectus Regulation. When used in this Securities Note, **Prospectus Regulation** means Regulation (EU) 2017/1129, as amended.

The Issuer accepts responsibility for the information contained in this Securities Note. To the best of the knowledge of the Issuer the information contained in this Securities Note is in accordance with the facts and makes no omission likely to affect its import.

This Securities Note has been approved by the AFM as competent authority under the Prospectus Regulation. The AFM only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Securities Note and of the quality of the securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the Capital Securities.

Any information from third parties has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

Application may be made for the Capital Securities to be listed on Euronext in Amsterdam. The AFM only approves this Securities Note 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 nor as an endorsement of the quality of the Capital Securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the Capital Securities.

The Prospectus (comprising this Securities Note and the Registration Document and as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to the Capital Securities which are to be admitted to trading on a regulated market in the EEA, and shall expire on 25 January 2025. The obligation to supplement this Securities Note in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Securities Note is no longer valid.

This Securities Note is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see the section "*Documents Incorporated by Reference*" below). The Prospectus (including, this Securities Note) shall be read and construed on the basis that such documents are incorporated in and form part of the Prospectus.

Other than in relation to the documents which are deemed to be incorporated herein by reference (see the section "*Documents Incorporated by Reference*" below), the information on websites to which this Securities Note refers does not form part of this Securities Note and has not been scrutinised or approved by the AFM.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Securities Note or any other information supplied in connection with the Capital Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Sole Lead Manager.

Neither this Securities Note nor any other information supplied in connection with the Capital Securities should be considered as a recommendation by the Issuer or the Sole Lead Manager that any recipient of this Securities Note or any other information supplied in connection with the Capital Securities should purchase any Capital Securities. Accordingly, no representation, warranty or undertaking, expressly or implied, is made and no responsibility is accepted by the Sole Lead Manager or any of its respective affiliates in their capacity as such, as to the accuracy or completeness of the information contained in this Securities Note or any other information provided by the Issuer.

Neither this Securities Note nor any other information supplied in connection with the Capital Securities constitutes an offer or invitation by or on behalf of the Issuer or the Sole Lead Manager to any person to subscribe for or to purchase any Capital Securities.

Neither this Securities Note nor any part hereof constitutes an offer or an invitation to sell or the solicitation of an offer to buy any Capital Securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this Securities Note and the offer or sale of Capital Securities in certain jurisdictions may be restricted by law. The Issuer and the Sole Lead Manager do not represent that this Securities Note may be lawfully distributed, or that any Capital Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Sole Lead Manager which would permit a public offering of any Capital Securities or distribution of this Securities Note in any jurisdiction where action for that purpose is required. Accordingly, no Capital Securities may be offered or sold, directly or indirectly, and neither this Securities Note nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with applicable laws and regulations. Persons into whose possession this Securities Note (or any part thereof) or any Capital Securities come must inform themselves about, and observe, such restrictions. In particular, there are restrictions on the distribution of this Securities Note and the offer or sale of Capital Securities in the United Kingdom, the EEA, the United States, France, Italy, Japan, Switzerland and Belgium (see the section *"Subscription and Sale"* below).

The Capital Securities have not been approved or disapproved by the US Securities and Exchange Commission, any State Securities Commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Securities Note. Any representation to the contrary is unlawful.

In connection with the issue of the Capital Securities, the Sole Lead Manager may act as stabilisation manager (the **Stabilisation Manager**). The Stabilisation Manager (or persons acting on behalf of it as Stabilisation Manager) may over-allot Capital Securities or effect transactions with a view to supporting the market price of the Capital Securities 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 Capital Securities 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 and 60 days after the date of the allotment of the Capital Securities. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or persons acting on behalf of the Stabilisation Manager) in accordance with all applicable laws.

The Issuer may, in its absolute discretion, perform market making activities as a liquidity provider in respect of the Capital Securities, provided, however, that the Issuer always undertakes to provide market making activities should any such activities be required under any applicable law or regulation.

The Capital Securities have not been and will not be registered under the Securities Act, and the Capital Securities are subject to U.S. tax law requirements. The Capital Securities may not be offered, sold or delivered within the United States or to U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (see the section *"Subscription and Sale*" below).

Restrictions on marketing and sales to retail investors

1. The Capital Securities discussed in this Securities Note are complex financial instruments. They are not a suitable or appropriate investment for all investors, especially retail investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Capital Securities. Potential investors in the Capital Securities should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the Capital Securities (or any beneficial interests therein).

2.

   (a) In the UK, the Financial Conduct Authority (**FCA**) Conduct of Business Sourcebook (**COBS**) requires, in summary, that the Capital Securities should not be offered or sold to retail clients (as defined in COBS 3.4 and each a **retail client**) in the UK.

   (b) The Sole Lead Manager is required to comply with COBS.

   (c) By purchasing, or making or accepting an offer to purchase, any Capital Securities (or a beneficial interest in such Capital Securities) from the Issuer and/or the Sole Lead Manager (acting as Sole Lead Manager), each prospective investor represents, warrants, agrees with and undertakes to the Issuer and the Sole Lead Manager that:

      (i) it is not a retail client in the UK; and

      (ii) it will not sell or offer the Capital Securities (or any beneficial interest therein) to retail clients in the UK or communicate (including the distribution of this Securities Note or approve an invitation or inducement to participate in, acquire or underwrite the Capital Securities (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the UK.

   (d) In selling or offering the Capital Securities or making or approving communications relating to the Capital Securities you may not rely on the limited exemptions set out in COBS.

3. The obligations in paragraph 2. above are in addition to the need to comply at all times with all other applicable laws, regulations and regulatory guidance (whether inside or

outside the EEA or the UK relating to the promotion, offering, distribution and/or sale of the Capital Securities (or any beneficial interests therein), whether or not specifically mentioned in this Securities Note, including (without limitation) any requirements under the Markets in MiFID II or the UK FCA Handbook as to determining the appropriateness and/or suitability of an investment in the Capital Securities (or any beneficial interests therein) for investors in any relevant jurisdiction.

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

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Capital Securities has led to the conclusion that: (i) the target market for the Capital Securities is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Capital Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Capital Securities (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Capital Securities (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Capital Securities 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 EUWA; or (ii) a customer within the meaning of the provisions of the financial services and markets act 2000 (**FSMA**) and any rules or regulations made under the FSMA to implement 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. 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 Capital Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Capital Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In addition, in the UK, the attached document is being distributed only to and is directed only at persons in circumstances where section 21(1) of the FSMA does not apply (such persons being referred to as "relevant persons"). Any person who is not a relevant person should not in any way act or rely on the attached document or any of its contents. Any investment activity in the UK (including, but not limited to, any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities) to which the attached document relates will only be available to, and will only be engaged with, such persons.

All references in this document to "U.S. dollars", "USD", "U.S.$" and "$" refer to the currency of the United States of America and those to "Euro", "euro", "EUR" and "€" refer to the lawful currency of the Member States that have adopted the single currency pursuant to the Treaty on the Functioning of the European Union, as amended.

SUITABILITY OF INVESTMENT

The Capital Securities may not be a suitable investment for all investors. Each potential investor in the Capital Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Capital Securities, the merits and risks of investing in the Capital Securities and the information contained or incorporated by reference in this Securities Note and any applicable supplement hereto;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Capital Securities and the impact the Capital Securities will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Capital Securities, including where the currency for principal or interest payments is different from the potential investor's currency;

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

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A prospective investor should conduct its own thorough analysis (including its own accounting, financial, legal and tax analysis) prior to deciding whether to invest in the Capital Securities. Any evaluation of the suitability for an investor of an investment in the Capital Securities depends upon a prospective investor's particular financial and other circumstances, as well as on the specific terms of the Capital Securities. If a prospective investor does not have experience in financial, business and investment matters sufficient to permit it to make such a determination, the investor should consult with its authorised and suitable financial adviser prior to deciding to make an investment as to the suitability of the Capital Securities.

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) Capital Securities are legal investments for it, (ii) Capital Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Capital Securities. Financial institutions should consult their legal advisors or the appropriate regulators to determine the

appropriate treatment of Capital Securities under any applicable risk-based capital or similar rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (or parts thereof), which have previously been published or are published simultaneously with this Securities Note and have been approved by the AFM or filed with it, shall be incorporated in, and form part of, this Securities Note; this Securities Note should be read and construed in conjunction with such (parts of the) documents:

(a) the registration document of the Issuer dated 8 May 2023 and as supplemented on 31 August 2023, on 4 December 2023 and on 2 January 2024, which respectively can be obtained from https://www.vanlanschotkempen.com/-/media/files/documents/corporate/investor-relations-en/debt-investors/library/at1/2024/prospectus/registration-document---8-may-2023.ashx, https://www.vanlanschotkempen.com/-/media/files/documents/corporate/investor-relations-en/debt-investors/library/at1/2024/prospectus/first-supplement---31-august-2023.ashx, https://www.vanlanschotkempen.com/-/media/files/documents/corporate/investor-relations-en/debt-investors/library/at1/2024/prospectus/second-supplement---4-december-2023.ashx and https://www.vanlanschotkempen.com/-/media/files/documents/corporate/investor-relations-en/debt-investors/library/dip/2024/prospectus/third-supplement----2-january-2024.ashx (the **Registration Document**);

(b) the Issuer's publicly available unaudited APM information set out in the tables named "Client Assets" and "Underlying Net Result" (the **2021 Issuer APM Information**) as included in the Issuer's annual report 2021 on pages 46 and 47, which can be obtained from https://media.vanlanschot.nl/media/pdfs/2021-financial-statements-audited-van-lanschot-kempen-nv.pdf;

(c) the Issuer's publicly available unaudited information set out in the tables named "Client Assets" and "Underlying Net Result" (the **2022 Issuer APM Information**) as included in the Issuer's annual report 2022 on pages 47, 48, 113, 114, 167, 170, 182 and 191, which can be obtained from https://media.vanlanschot.nl/media/pdfs/2022-financial-statements-audited-van-lanschot-kempen-nv.pdf; and

(d) the Issuer's publicly available unaudited and unreviewed consolidated interim (semi-annual) information set out in the tables named "Client Assets" and "Underlying Net Result" (the **H1 2023 Issuer APM Information**) as included in the Issuer's performance report 2023 half-year results on pages 8, 9, 15, 16, 20, 23, 24, 32, 33 and 40, which can be obtained from https://www.vanlanschotkempen.com/-/media/files/documents/corporate/investor-relations-en/financial-results/2023/half-year-results/performance-report-2023-half-year-results.ashx,

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Securities Note to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Where only certain parts of a document referred to above are incorporated by reference in this Securities Note, the parts of such document that are not incorporated by reference are either not relevant to prospective investors in the Issuer's securities or covered elsewhere in this Securities Note. Any documents themselves incorporated by reference into the documents incorporated by reference into this Securities Note shall not form part of this Securities Note.

This Securities Note and the documents incorporated by reference in this Securities Note may contain active hyperlinks or inactive textual addresses to Internet websites. Reference to such websites is made for information purposes only, and information found at such websites is not incorporated by reference into this Securities Note or the documents incorporated by reference in this Securities Note and shall not form a part of this Securities Note.

The Issuer will provide, without charge, to each person to whom a copy of this Securities Note has been delivered in accordance with applicable law and regulation, upon the oral or written request of such person, a copy of any or all of the documents that are incorporated in this Securities Note by reference. Written or oral requests for such documents should be directed to the Issuer at its registered office set out at the end of this Securities Note. In addition, such documents will be available free of charge from the website of the Issuer (https://www.vanlanschotkempen.com/en-nl/about-us/investor-relations/debt-investors/unsecured-instruments).

TERMS AND CONDITIONS OF THE CAPITAL SECURITIES

Introduction

The €100,000,000 Undated Deeply Subordinated Additional Tier 1 Fixed Rate Resettable Callable Capital Securities (the **Capital Securities**, which expression shall in these Terms and Conditions (the **Conditions**), unless the context otherwise requires, include any further capital securities issued pursuant to Condition 18 (*Further Issues*) and forming a single series with the Capital Securities) of Van Lanschot Kempen N.V. (the **Issuer**, which expression shall include any substituted debtor or transferee pursuant to Condition 9 (*Statutory Loss Absorption or Recapitalisation*)) have the benefit of an agency agreement dated 25 January 2024 (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) made between the Issuer, Citibank N.A., London Branch as principal paying agent (in such capacity the **Agent** which expression shall include any successor Agent) and any other paying agents appointed pursuant to the Agency Agreement (together with the Agent, the **Paying Agents**, which expression shall include any successor or additional paying agent appointed from time to time in connection with the Capital Securities).

References herein to the Capital Securities shall mean (i) in relation to any Capital Securities represented by a global Capital Security (a **Global Capital Security**), units of the lowest specified denomination, (ii) Definitive Capital Securities issued in exchange (or part exchange) for a Global Capital Security and (iii) any Global Capital Security.

Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Any reference herein to **Holders** shall mean the holders of the Capital Securities, and shall, in relation to any Capital Securities represented by a Global Capital Security, be construed as provided below. Any reference herein to **Couponholders** shall mean the holders of the Coupons (as defined below), and shall, unless the context otherwise requires, include the holders of the Talons (as defined below).

Copies of the Agency Agreement are available for viewing at the Specified Offices (as defined in the Agency Agreement) during normal business hours of each of the Agent and the other Paying Agents, the original Specified Offices of which are set out below, and at the registered offices of the Issuer and of the Agent and copies may be obtained from those offices. The Holders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement which are binding on them.

Words and expressions defined in the Agency Agreement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated.

1. Definitions

In these Conditions:

5-year Mid-Swap Rate means, in relation to a Reset Period and the Reset Rate of Interest Determination Date in respect of such Reset Period:

(a) the mid-swap rate for euro swaps with a term of 5 years which appears on the Screen Page as of 11:00 a.m. (Central European time) on such Reset Rate of Interest Determination Date; or

(b) if such rate does not appear on the Screen Page at such time on such Reset Rate of Interest Determination Date, the Reset Reference Bank Rate on such Reset Rate of Interest Determination Date.

5-year Mid-Swap Rate Quotations means the arithmetic mean of the bid and ask rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap transaction which:

(a) has a term of 5 years commencing on the relevant Reset Date;

(b) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market; and

(c) has a floating leg based on six-month EURIBOR (calculated on an Actual/360 day count basis).

Accounting Currency means euro or such other primary currency used in the presentation of the Issuer's accounts from time to time.

Accrual Period has the meaning given in Condition 4.1(f) (*Calculation of interest amounts and any broken amounts*).

Additional Amounts has the meaning given in Condition 10.1 (*Payment without Withholding*).

Additional Tier 1 Capital means the additional tier 1 capital of the Issuer within the meaning of Chapter 3 (*Additional Tier 1 capital*) of Title I (*Elements of own funds*) of Part Two (*Own Funds*) of CRR, as implemented and/or applicable in the Netherlands, and/or any such equivalent or substitute term under Applicable Banking Regulations, including any applicable transitional, phasing in or similar provisions.

Adjustment Spread has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

Alternative Rate has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

Applicable Banking Regulations means at any time, the laws, regulations, rules, requirements, standards, guidelines and policies relating to capital adequacy applicable to the Issuer including, without limitation to the generality of the foregoing, those regulations, rules, requirements, standards, guidelines and policies relating to capital adequacy and resolution then in effect of the Competent Authority (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer) at such time (and, for the avoidance of doubt, including as at the Issue Date the rules contained in, or implementing, CRD IV, CRR, SRMR and BRRD).

Applicable Resolution Framework means any relevant laws and regulations applicable to the Issuer at the relevant time pursuant to, or which implement, or are enacted within the context of BRRD or any other resolution or recovery rules which may from time to time be applicable to the Issuer, including SRMR and the Special Measures Financial Institutions Act (*Wet bijzondere maatregelen financiële ondernemingen*).

Benchmark Amendments has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

Benchmark Event has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

BRRD means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (or, as the case may be, any provision of Dutch law transposing or implementing such Directive), as amended or replaced from time to time (including, without limitation, by Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 and Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019).

Business Day means:

(a) a day on which (a) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Amsterdam and (b) T2 is operating; and

(b) in the case of Condition 5(f) (*Payments on Business Days*) only, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a Euro account, on which T2 is open, provided that so long as the Capital Securities are represented by a Global Capital Security held on behalf of the Securities Settlement System, Business Day means any day on which T2 is open.

Calculation Amount means, initially €1,000 in principal amount of each Capital Security, or, following adjustment (if any) downwards or upwards to Condition 8 (*Principal Write-down and Principal Write-up*), the amount resulting from such adjustment.

Capital Event has the meaning given in Condition 6.4 (*Redemption upon a Capital Event*).

Capital Securities has the meaning given in the Introduction.

CET1 Capital means the common equity tier 1 capital of the Issuer, expressed in the Accounting Currency, as calculated by the Issuer on a consolidated and/or solo basis (as applicable), all in accordance with Chapter 2 (*Common Equity Tier 1 capital*) of Title I (*Elements of own funds*) of Part Two (*Own Funds*) of CRR, as implemented and/or applicable in the Netherlands, and/or any such equivalent or substitute calculation or term under Applicable Banking Regulations, including any applicable transitional, phasing in or similar provisions.

Competent Authority means DNB and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer, as determined by the Issuer or, as the case may be, the Resolution Authority.

Coupon has the meaning given in Condition 2 (*Form, Denomination and Title*).

Couponholders has the meaning given in the Introduction.

CRD IV means any, or any combination of, the CRD IV Directive, the CRR, and any CRD IV Implementing Measures.

CRD IV Directive means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (as amended from time to time, including by Directive (EU) 2019/878) or such other directive as may come into effect in place thereof.

CRD IV Implementing Measures means any regulatory capital rules implementing the CRD IV Directive or CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards or implementing technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Competent Authority, European Banking Authority or any other relevant authority, which are applicable to the Issuer (on a consolidated or solo basis, as applicable).

CRR means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (as amended from time to time, including by Regulation (EU) 2019/876 and Regulation (EU) 2020/873) or such other regulation as may come into effect in place thereof.

Discretionary Temporary Write-down Instruments means, at any time, any instrument (other than the Capital Securities and Junior Obligations) issued by the Issuer which at such time (a) qualifies as Additional Tier 1 Capital of the Issuer on a consolidated and/or solo basis, (b) has had all or some of its principal amount written-down and (c) has terms providing for a write-up or reinstatement of its principal amount, at the relevant issuer's discretion, upon reporting a net result.

Distributable Items has the meaning given in Condition 4.2(b) (*Mandatory cancellation of interest*).

DNB means the Dutch Central Bank (*De Nederlandsche Bank N.V.*).

ECB means the European Central Bank.

Euro or **€** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Extraordinary Resolution means a resolution passed at a meeting of the Holders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than 75 per cent. of the persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 75 per cent. of the votes given on such poll.

Financial Year means the financial year of the Issuer (being the one-year period in respect of which it prepares annual audited financial statements) from time to time, which as at the Issue Date runs from (and including) 1 January in one calendar year to (but excluding) the same date in the immediately following calendar year.

First Call Date means 1 April 2029.

First Reset Date means 1 October 2029.

Foreign Currency Instruments has the meaning given in Condition 8.3 (*Foreign Currency Instruments*).

Global Capital Security has the meaning given in the Introduction.

Holder has the meaning given in the Introduction and Condition 2 (*Form, Denomination and Title*).

Independent Adviser has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

Initial Period means the period from (and including) the Issue Date to (but excluding) the First Reset Date.

Initial Rate of Interest means 8.875 per cent. per annum.

Interest Payment Date means 1 April and 1 October in each year from (and including) 1 April 2024.

Interest Period means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

Issue Date means 29 January 2024.

Issuer CET1 Ratio means, at any time, the ratio of CET1 Capital of the Issuer to the total risk exposure amount (as referred to in Article 92(2)(a) CRR) of the Issuer, expressed as a percentage, all as calculated on a (i) consolidated basis and (ii) solo basis (as applicable).

Junior Obligations means the Ordinary Shares, all other classes of share capital of the Issuer.

Loss Absorbing Instruments means the Parity Loss Absorbing Instruments and the Prior Loss Absorbing Instruments.

Mandatory Cancellation of Interest has the meaning given in Condition 4.2(b) (*Mandatory cancellation of interest*).

Margin means 6.437 per cent.

Maximum Distributable Amount has the meaning given in Condition 4.2(b) (*Mandatory cancellation of interest*).

Maximum Write-up Amount has the meaning given in Condition 8.2(c) (*Maximum Write-up Amount*).

Net Result means the lower of the net result of the Issuer as calculated on a solo and/or consolidated basis, as applicable, and as set out in the last audited annual consolidated

accounts of the Issuer adopted by the Issuer's general meeting (or such other means of communication as determined by the Issuer).

Optional Cancellation of Interest has the meaning given in Condition 4.2(a) (*Optional cancellation of interest*).

Ordinary Shares means ordinary shares of the Issuer or depository receipts issued in respect of such Ordinary Shares as the context may require.

Original Principal Amount means, in respect of a Capital Security at any time the principal amount (which, for these purposes, is equal to the nominal amount) of such Capital Security at the Issue Date without having regard to any subsequent Principal Write-down or Principal Write-up pursuant to Condition 8 (*Principal Write-down and Principal Write-up*).

Original Reference Rate has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

Own Funds has the meaning ascribed thereto (or to any equivalent term) in the Applicable Banking Regulations.

Parity Loss Absorbing Instruments means, at any time, any instrument (other than the Capital Securities and Junior Obligations) issued by the Issuer which at such time (a) qualifies as Additional Tier 1 Capital of the Issuer on a consolidated and/or solo basis, as applicable, (b) has terms pursuant to which all or some of its principal amount may be written-down (whether on a permanent or temporary basis) or converted into equity (in each case in accordance with its conditions) and (c) has an identical trigger level as the Capital Securities.

Parity Obligations means the rights and claims in respect of obligations of the Issuer in respect of the available principal amount of any other capital securities qualifying, in whole or in part, as Additional Tier 1 Capital.

Prevailing Principal Amount means, in respect of a Capital Security at any time, the Original Principal Amount of such Capital Security as reduced by any Principal Write-down of such Capital Security at or prior to such time pursuant to Condition 8 (*Principal Write-down and Principal Write-up*) (on one or more occasions) and, if applicable following any Principal Write-down, as subsequently increased by any Principal Write-up of such Capital Security (on one or more occasions) at or prior to such time pursuant to Condition 8 (*Principal Write-down and Principal Write-up*).

Principal Write-down has the meaning given in Condition 8.1 (*Principal Write-down*).

Principal Write-up has the meaning given in Condition 8.2 (*Principal Write-up*).

Principal Write-up Amount means, on any Principal Write-up, the amount by which the then Prevailing Principal Amount is to be written-up and which is calculated per Calculation Amount.

Prior Loss Absorbing Instruments means, at any time, any instrument issued by the Issuer which at such time (a) qualifies as Additional Tier 1 Capital of the Issuer on consolidated and/or solo basis and (b) has terms pursuant to which all or some of its principal amount may be written-down (whether on a permanent or temporary basis)

or converted into equity (in each case in accordance with its conditions or otherwise) on the occurrence, or as a result, of the Issuer CET1 Ratio falling below a level that is higher than 5.125 per cent. As at the Issue Date, there are no Prior Loss Absorbing Instruments outstanding.

Rate of Interest means:

(a) in the case of each Interest Period falling in the Initial Period, the Initial Rate of Interest; or

(b) in the case of each Interest Period which commences on or after the First Reset Date, the sum, converted from an annual basis to a semi-annual basis, of (A) the Reset Rate of Interest applicable to the Reset Period in which that Interest Period falls and (B) the Margin as determined by the Agent in accordance with Condition 4 (*Interest and interest cancellation*).

The current market convention for semi-annual rate conversion from an annual rate is as follows:

$$2 \times \left(\sqrt{\text{Mid} - \text{Swap Rate} + \text{Margin} + 1} - 1\right)$$

Recapitalisation has the meaning given in Condition 9 (*Statutory Loss Absorption or Recapitalisation*).

Relevant Nominating Body has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

Resolution Authority means the European Single Resolution Board, the ECB, the DNB or such other regulatory authority or governmental body having the power to impose resolution measures, such as Statutory Loss Absorption or Recapitalisation on the Capital Securities, or other resolution tools or resolution action pursuant to the Applicable Resolution Framework.

Reset Date means the First Reset Date and each date which falls five, or an integral multiple of five, years after the First Reset Date.

Reset Period means each period from (and including) a Reset Date to (but excluding) the next Reset Date.

Reset Rate of Interest means, in respect of any Reset Period, the 5-year Mid-Swap Rate determined on the Reset Rate of Interest Determination Date applicable to such Reset Period, as determined by the Agent, subject to any amendments resulting from any Benchmark Amendments pursuant to Condition 4(d) (*Publication of Reset Rate of Interest and amount of interest*).

Reset Rate of Interest Determination Date means, in respect of the determination of the Reset Rate of Interest applicable during any Reset Period, the day falling two Business Days prior to the Reset Date on which such Reset Period commences.

Reset Reference Bank Rate means, with respect to a Reset Rate of Interest Determination Date, the percentage rate determined on the basis of the 5-year Mid-Swap Rate Quotations provided by the Reset Reference Banks to the Issuer at approximately 11:00 a.m. (Central European time) on such Reset Rate of Interest

Determination Date. If at least three quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Reset Date, the 5-year Mid-Swap Rate in respect of the immediately preceding Reset Period or (ii) in the case of the Reset Period commencing on the First Reset Date, 2.650 per cent. per annum.

Reset Reference Banks means six leading swap dealers in the interbank market selected by the Issuer.

Return to Financial Health has the meaning given in Condition 8.2(a) (*Principal Write-up*).

Screen Page means Reuters screen "ICESWAP2" or such other page as may replace it on Reuters or, as the case may be, on such other information service that may replace Reuters, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates comparable to the relevant 5-year Mid-Swap Rate.

Securities Settlement System has the meaning given in Condition 2 (*Form, Denomination and Title*).

Senior Obligations means (a) the rights and claims of depositors (other than in respect of those whose deposits rank equally to or lower than the Capital Securities, if any), (b) all unsubordinated rights and claims (including, but not limited to, with respect to the repayment of borrowed money), (c) all subordinated rights and claims against the Issuer (including, but not limited to, in respect of obligations qualifying as Tier 2 capital under Applicable Banking Regulations) and (d) excluded liabilities of the Issuer pursuant to Article 72(a)2 CRR, other than (i) Parity Obligations and (ii) Junior Obligations.

SRMR means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, including by Regulation (EU) 2019/877).

Statutory Loss Absorption has the meaning given in Condition 9 (*Statutory Loss Absorption or Recapitalisation*).

Successor Rate has the meaning given in Condition 4.1(d) (*Benchmark discontinuation*).

T2 means the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system.

Talon has the meaning given in Condition 2 (*Form, Denomination and Title*).

Tax Event has the meaning given in Condition 6.3 (*Redemption for Taxation Reasons*).

Tier 1 Capital means the tier 1 capital of the Issuer, expressed in the Accounting Currency, as calculated by the Issuer on a consolidated and/or solo basis (as applicable) in accordance with Chapters 1 (*Tier 1 capital*), 2 (*Common Equity Tier 1 capital*) and 3 (*Additional Tier 1 capital*) of Title I (*Elements of own funds*) of Part Two (*Own Funds*) of CRR, as implemented and/or applicable in the Netherlands, and/or any such equivalent or substitute calculation or term under Applicable Banking Regulations, including any applicable transitional, phasing in or similar provisions.

A **Trigger Event** will occur if, at any time, the Issuer CET1 Ratio is less than 5.125 per cent. as determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority.

Trigger Event Write-down Date has the meaning given in Condition 8.1(a) (*Principal Write-up*).

Trigger Event Write-down Notice has the meaning given in Condition 8.1(b) (*Maximum Distributable Amount*).

Wft means the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), as amended from time to time.

Write-down Amount has the meaning given in Condition 8.1(d) (*Principal Write-up and Trigger Event*).

Written-Down Additional Tier 1 Instrument means, at any time, any instrument (including the Capital Securities) issued by the Issuer which qualifies as Additional Tier 1 Capital of the Issuer on a consolidated and/or solo basis and which, immediately prior to the relevant Principal Write-up of the Capital Securities at that time, has a prevailing principal amount that, due to it having been written down, is lower than the original principal amount it was issued with.

In these Conditions reference to (i) any provisions of law or regulation shall be deemed to include reference to any successor law or regulation, (ii) solo basis shall be to the level of solvency supervision within the meaning of Article 6 CRR and (iii) consolidated basis shall be to the level of solvency supervision within the meaning of Article 11 CRR.

2. Form, Denomination and Title

The Capital Securities are in bearer form and, in the case of Definitive Capital Securities, serially numbered and with interest coupons (**Coupons**) and talons for further Coupons (**Talons**) attached.

Subject as set out below, title to the Capital Securities and Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and the Paying Agents may deem and treat the bearer of any Capital Security 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 but, in the case of any Global Capital Security, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Capital Securities is represented by a Global Capital Security held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A.

(**Clearstream, Luxembourg** and together with Euroclear; the **Securities Settlement System**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of the Securities Settlement System as the holder of a particular nominal amount of such Capital Securities (in which regard any certificate or other document issued by the Securities Settlement System as to the nominal amount of Capital Securities 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 Agents as the holder of such nominal amount of such Capital Securities for all purposes other than with respect to the payment of principal or interest on the Capital Securities, for which purpose the bearer of the relevant Global Capital Security shall be treated by the Issuer and the Paying Agents as the holder of such Capital Securities in accordance with and subject to the terms of the relevant Global Capital Security (and the expression **Holder** and related expressions shall be construed accordingly). Capital Securities which are represented by a Global Capital Security held by a common depositary or a common safekeeper for the Securities Settlement System will be transferable only in accordance with the rules and procedures for the time being of the Securities Settlement System.

The Capital Securities are issued in denominations of €200,000 and integral multiples of €1,000 in excess thereof up to (and including) €399,000 and can only be settled through the Securities Settlement System in nominal amounts equal to a whole denomination (or a whole multiple thereof).

3. Status of the Capital Securities

3.1 Status

The Capital Securities and Coupons (including any accrued interest or damages awarded for breach of any obligations under these Conditions, if any are payable) constitute unsecured, unguaranteed and subordinated obligations of the Issuer. The rights and claims of the Holders and Couponholders are subordinated as described in Condition 3.2 (*Subordination*).

3.2 Subordination

Subject to exceptions provided by mandatory applicable law (including as provided pursuant to Section 212rf Dutch Bankruptcy Code (*Faillissementswet*)), the rights and claims (if any) of the Holders to payment under the Capital Securities in respect of the Prevailing Principal Amount shall in the event of the liquidation or bankruptcy of the Issuer rank *pari passu* without preference among themselves and:

(i) junior to the rights and claims of creditors in respect of Senior Obligations, present and future

(ii) *pari passu* with all rights and claims of creditors in respect of Parity Obligations, present and future; and

(iii) senior only to the rights and claims of creditors in respect of Junior Obligations, present and future.

By virtue of such subordination, payments to a Holder in respect of the Prevailing Principal Amount will, in the event of the liquidation or bankruptcy of the Issuer, only be made after all Senior Obligations of the Issuer have been satisfied.

Subject to exceptions provided by mandatory and/or overriding applicable law (including as provided pursuant to Section 212rf Dutch Bankruptcy Code), any accrued but unpaid interest (to the extent not cancelled in accordance with these Conditions) on any Capital Security shall in the event of the liquidation or bankruptcy of the Issuer rank above Own Funds, *pari passu* without any preference among themselves and junior to all unsubordinated rights and claims (including with respect to the repayment of borrowed money).

3.3 No set-off or netting

No Holder or Couponholder may at any time exercise or claim any right of set-off or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Capital Securities or Coupons. To the extent that any Holder or Couponholder nevertheless claims a right of set-off or netting in respect of any such amount, whether by operation of law or otherwise, and irrespective of whether the set-off or netting is effective under any applicable law, such Holder or Couponholder is required to immediately transfer to the Issuer an amount equal to the amount which purportedly has been set off or netted (such a transfer, a **Set-off Repayment**) and no rights can be derived from the relevant Capital Securities or Coupons until the Issuer has received in full the relevant Set-off Repayment. Irrespective of any other set-off or netting agreement providing otherwise, the possibility or impossibility of any set-off or netting by a Holder or Couponholder shall be exclusively governed by Dutch law.

4. Interest and interest cancellation

4.1 Interest

(a) *Interest rate and Interest Payment Dates*

The Capital Securities bear interest on their outstanding Prevailing Principal Amount at the applicable Rate of Interest from (and including) the Issue Date. Subject to cancellation of any interest payment (in whole or in part) pursuant to Condition 4.2 (*Interest cancellation*) or Condition 8 (*Principal Write-down and Principal Write-up*), interest shall be payable semi-annually in arrear in equal instalments on each Interest Payment Date.

The amount of interest per €1,000 in Original Principal Amount payable on the Interest Payment Date other than the first Interest Payment Date in respect of each Interest Period commencing before the First Reset Date, provided there is no Principal Write-down pursuant to Condition 8 (*Principal Write-down and Principal Write-up*) and subject to any cancellation of interest (in whole or in part) pursuant to Condition 4.2 (*Interest cancellation*), will be €88.75.

The amount of interest per €1,000 in Original Principal Amount payable on the Interest Payment Date falling on 1 April 2024 (subject to Condition 8 (*Principal Write-down and Principal Write-up*) and subject to any cancellation of interest (in whole or in part) pursuant to Condition 4.2 (*Interest cancellation*), will be €15.28.

The Rate of Interest for each Interest Period commencing on or after the First Reset Date will be the Reset Rate of Interest applicable to the Reset Period during which such Interest Period falls plus the Margin, converted from an annual basis to a semi-annual basis, all as determined by the Agent. The Agent will, as soon as practicable after 11:00

a.m. (Central European time) on each Reset Rate of Interest Determination Date, determine the applicable Reset Rate of Interest.

(b) *Interest Accrual*

Subject always to Condition 8 (*Principal Write-down and Principal Write-up*) and to cancellation of interest (in whole or in part) pursuant to Condition 4.2 (*Interest cancellation*), each Capital Security will cease to bear interest from and including its due date for redemption.

(c) *Publication of Reset Rate of Interest and amount of interest*

The Agent will cause each Reset Rate of Interest and the amount of interest payable per Calculation Amount for each Reset Period commencing on or after the First Reset Date determined by it to be notified to each listing authority and/or stock exchange (or listing agent as the case may be) by which the Capital Securities have then been admitted to listing and trading as soon as practicable after such determination but in any event not later than the relevant Reset Date. Notice thereof shall also promptly be given to the Holders in accordance with Condition 16 (*Notices*).

(d) *Benchmark discontinuation*

(i) Independent Adviser

Notwithstanding the provisions above in this Condition 4 (*Interest and interest cancellation*), if any Benchmark Event occurs in relation to the Original Reference Rate, then the Issuer shall notify the Agent of the occurrence of such Benchmark Event and 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 4.1(d)(ii) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 4.1(d)(iii) (*Adjustment Spread*)), and any Benchmark Amendments (in accordance with Condition 4.1(d)(iv) (*Benchmark Amendments*)). If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Rate or an Alternative Rate and notify the Agent of such determinations prior to the date which is ten Business Days prior to the relevant Reset Rate of Interest Determination Date, the Issuer (acting in good faith and in a commercially reasonable manner) shall use reasonable endeavours to determine a Successor Rate, or, if a Successor Rate is not available, an Alternative Rate and notify the Agent of such determinations prior to the date which is ten Business Days prior to the relevant Reset Rate of Interest Determination Date (in accordance with Condition 4.1(d)(ii) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 4.1(d)(iii) (*Adjustment Spread*)), and any Benchmark Amendments (in accordance with Condition 4.1(d)(iv) (*Benchmark Amendments*)). Without prejudice to the definitions thereof, for the purposes of determining any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments, as the case may be, the Issuer will take into account any relevant and applicable market precedents and customary market usage as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets.

An Independent Adviser appointed pursuant to this Condition 4.1(d) (*Benchmark discontinuation*) shall act in good faith as an expert and (in the absence of wilful misconduct (*opzet*) or gross negligence (*grove nalatigheid*)) shall have no liability whatsoever to the Issuer, any Paying Agent, the Holders 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 4.1(d) (*Benchmark discontinuation*).

(ii) Successor Rate or Alternative Rate

If the Independent Adviser or the Issuer (as applicable) acting in good faith and in a commercially reasonable manner, determines that:

(a) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.1(d)(iii) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Capital Securities (subject to the operation of this Condition 4.1(d) *Benchmark discontinuation*)) 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

(b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4.1(d)(iii) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Capital Securities (subject to the operation of this Condition 4.1(d) (*Benchmark discontinuation*)) 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.

(iii) Adjustment Spread

If the Independent Adviser or the Issuer (as applicable) 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).

(iv) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4.1(d) (*Benchmark discontinuation*) and the Independent Adviser or the Issuer (as applicable) 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 4.1(d)(v) (*Notices, etc.*), without any requirement for the consent or approval of Holders, 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 4.1(d)(iv) (*Benchmark Amendments*), if and for so long as the Capital Securities are listed on Euronext Amsterdam and Euronext Amsterdam so requires, the Issuer shall comply with the rules of Euronext Amsterdam.

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 Capital Securities 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 4.1(d) (*Benchmark discontinuation*).

Notwithstanding any other provision of this Condition 4.1(d) (*Benchmark discontinuation*), the Issuer may decide that no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor any other amendment to the Conditions will be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

(a) prejudice the qualification of the Capital Securities as Additional Tier 1 Capital; and/or

(b) result in the Competent Authority considering such adoption and/or amendment(s) as a new issuance of the Capital Securities.

Any amendment to the Conditions pursuant to this Condition 4.1(d) (*Benchmark discontinuation*) is subject to (i) the prior (written) permission of the Competent Authority and/or the relevant Resolution Authority, provided that, at the relevant time, such permission is required to be given (including, without limitation, pursuant to Article 77 CRR) and (ii) compliance with any other pre-conditions to, or requirements applicable to, such amendment as may be required by the Competent Authority or CRD IV or such other regulatory capital rules applicable to the Issuer at such time.

(v) Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4.1(d) (*Benchmark discontinuation*) shall be notified promptly by the Issuer to each Paying Agent and, in accordance with Condition 16 (*Notices*), the Holders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

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 Paying Agents, the Holders and the Couponholders.

Notwithstanding any other provision of this Condition 4.1(d) (*Benchmark discontinuation*), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments, in the Agent's opinion there is any

uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 4.1(d) (*Benchmark discontinuation*), the Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Agent in writing as to which alternative course of action to adopt. If the Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

Notwithstanding any other provision of this Condition 4.1(d) (*Benchmark discontinuation*), the Agent shall not be obliged to concur with the Issuer in respect of any Benchmark Amendments which, in the sole opinion of the Agent would have the effect of increasing the obligations or duties, or decreasing the rights or protections, of the Agent in any of its appointed roles in the Agency Agreement and/or these Conditions.

None of the Agent or the Paying Agent shall be responsible or liable for any action or inaction of the Independent Adviser or in respect of the determination of any Successor Rate or Alternative Rate, or any Adjustment Spread or Benchmark Amendments.

As used in these Conditions:

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 or the Issuer (as applicable) 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 Holders 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 in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(b) the Independent Adviser or the Issuer (as applicable) 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 if the Independent Adviser or the Issuer (as applicable) determines that no such industry standard is recognised or acknowledged); or

(c) the Independent Adviser or the Issuer (as applicable) in its discretion, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate.

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (as applicable) has determined in accordance with Condition 4.1(d)(ii) (*Successor Rate or Alternative Rate*) 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 in Euros.

Benchmark Event means:

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

(b) the making of 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) the making of 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) the making of 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) the making of a public statement made by the supervisor of the administrator of the Original Reference Rate announcing that the Original Reference Rate is no longer representative; or

(f) it has, or will prior to the next Reset Rate of Interest Determination Date, become unlawful or otherwise prohibited for any Paying Agent, the Issuer to calculate any payments due to be made to any Holder using the Original Reference Rate or otherwise make use of the Original Reference Rate with respect to the Capital Securities,

provided that the Benchmark Event shall be deemed to occur (i) in the case of sub-paragraphs (b), (c) and (d) above, on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and (ii) in the case of sub-paragraph (e) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative and which is specified in the relevant public statement, and, **in each case**, not the date of the relevant public statement.

Independent Adviser means an independent financial institution in the Euro-Zone of international repute or an independent financial adviser in the Euro-Zone with appropriate expertise appointed by the Issuer under Condition 4.1(d)(i) (*Independent Adviser*), in each case appointed by the Issuer at its own expense.

Original Reference Rate means the originally-specified 5-year Mid-Swap Rate, or any component customarily used in the determination thereof, used to determine the Reset Rate of Interest (or any component part thereof) on the Capital Securities.

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

(a) the central bank for the Euro, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original 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 Euro, (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original 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.

(e) *Notifications etc*.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4 (*Interest and interest cancellation*) by the Agent or, as the case may be, any Independent Adviser or the Issuer shall (in the absence of manifest error) be binding on the Issuer, the Paying Agents and the Holders and (subject as aforesaid) no liability to any such person will attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(f) *Calculation of interest amounts and any broken amounts*

Save as provided above in respect of equal instalments, the amount of interest payable per Calculation Amount (subject to Condition 8 (*Principal Write-down and Principal Write-up*) and to cancellation in whole or in part pursuant to Condition 4.2 (*Interest cancellation*)) in respect of each Capital Security for any period (an **Accrual Period**, being the period from and including the date from which interest begins to accrue to but excluding the date on which it falls due) shall be calculated by the Agent by:

(i) applying the applicable Rate of Interest to the Calculation Amount;

(ii) multiplying the product thereof by (A) the actual number of calendar days in the Accrual Period divided by (B) two times the actual number of calendar days from and including the first calendar day of the Accrual Period to but excluding the next following Interest Payment Date; and

(iii) rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

If the Prevailing Principal Amount of the Capital Securities changes on one or more occasions during any Accrual Period, the Agent shall separately calculate the amount of interest (in accordance with this Condition 4.1(f) (*Calculation of interest amounts and any broken amounts*) accrued on each Capital Security for each period within such Accrual Period during which a different Prevailing Principal Amount subsists, and the aggregate of such amounts shall be the amount of interest payable (subject to Condition 8 (*Principal Write-down and Principal Write-up*) and to cancellation in whole or in part

pursuant to Condition 4.2 (*Interest cancellation*)) in respect of a Capital Security for the relevant Accrual Period.

4.2 Interest cancellation

(a) *Optional cancellation of interest*

The Issuer may, in its sole discretion (but subject at all times to the requirements for mandatory cancellation of interest payments pursuant to Condition 4.2(b) (*Mandatory cancellation of interest*)), at any time elect to cancel any interest payment (in whole or in part) which is otherwise due to be paid (**Optional Cancellation of Interest**).

(b) *Mandatory cancellation of interest*

The Issuer shall cancel (in whole or in part, as applicable) any interest payment, including Additional Amounts thereon, where applicable, otherwise due to be paid to the extent that:

(i) the payment of such interest, including Additional Amounts thereon, where applicable, when aggregated with any interest payments or distributions paid or scheduled for payment in the then current Financial Year on the Capital Securities and all other own funds instruments (including any Additional Amounts in respect thereof but excluding any Tier 2 instruments) plus any principal write-ups, where applicable, would cause the amount of Distributable Items (if any) then available to the Issuer to be exceeded; or

(ii) the payment of such interest, including Additional Amounts thereon, where applicable, would cause, when aggregated together with other distributions of the kind referred to in Section 3:62b(2) Wft (implementing Article 141(2) CRD IV Directive), Section 3:62ba(2) Wft (implementing Article 141b(2) CRD IV Directive), Section 3a:11b Wft (implementing Article 16a BRRD) or Article 10a SRMR or in any Applicable Banking Regulations plus any principal write-ups, where applicable, the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded; or

(iii) the Competent Authority orders the Issuer to cancel the payment of such interest;

together the **Mandatory Cancellation of Interest**.

Interest payments may also be cancelled in accordance with Condition 8 (*Principal Write-down and Principal Write-up*).

As used in these Conditions:

Distributable Items means, subject as otherwise defined in the Applicable Banking Regulations from time to time:

(a) the amount of the Issuer's profits at the end of the financial year immediately preceding the Financial Year in which the relevant Interest Payment Date falls plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments (excluding, for the avoidance of doubt, any Tier 2 instruments); less

(b) any losses brought forward, any profits which are non-distributable pursuant to European Union law or Dutch law or the Issuer's articles of association (*statuten*) and sums placed to non-distributable reserves in accordance with applicable Dutch law or the Issuer's articles of association (*statuten*), in each case with respect to the specific category of own funds instruments to which European Union law, Dutch law or the Issuer's articles of association relate,

such profits, losses and reserves being determined on the basis of the Issuer's non-consolidated accounts.

Maximum Distributable Amount means any maximum distributable amount (*maximaal uitkeerbare bedrag*) relating to the Issuer required to be calculated pursuant to Section 3:62b(2) Wft (implementing Article 141(2) CRD IV Directive), Section 3:62ba(2) Wft (implementing Article 141b(2) CRD IV Directive), Section 3a:11(b) Wft (implementing Article 16a BRRD) or Article 10a SRMR or any equivalent requirement in the Applicable Banking Regulations to calculate a maximum distributable amount.

(c) *Notice of cancellation of interest*

Upon the Issuer electing (pursuant to Condition 4.2(a) (*Optional cancellation of interest*)) or determining that it shall be required (pursuant to Condition 4.2(b) (*Mandatory cancellation of interest*)) to cancel (in whole or in part) any interest payment, the Issuer shall as soon as reasonably practicable give notice to the Holders in accordance with Condition 16 (*Notices*) and the Agent, specifying the amount of the relevant cancellation and, accordingly, the amount (if any) of the relevant interest that will be paid on the relevant Interest Payment Date; provided, however, that any failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such cancellation or deemed cancellation of interest, or give Holders any rights as a result of such failure.

In the absence of such notice being given, if the Issuer does not make an interest payment on the relevant due date (or if the Issuer elects to make a payment of a portion, but not all, of such interest payment), such non-payment shall evidence the Issuer's exercise of its discretion or obligation to cancel such interest payment (or the portion of such interest payment not paid), and accordingly such interest (or the portion thereof not paid) shall not be due and payable.

If the Issuer provides notice to cancel a portion, but not all, of an interest payment and the Issuer subsequently does not make a payment of the remaining portion of such interest on the relevant interest payment date, such non-payment shall evidence the Issuer's exercise of its discretion to cancel such remaining portion of interest, and accordingly such remaining portion of interest shall also not be due and payable.

(d) *Interest non-cumulative; no event of default*

Any interest (or part thereof) not paid by reason of Optional Cancellation of Interest or Mandatory Cancellation of Interest above or pursuant to Condition 8.1(c) (*Cancellation of interest and Principal Write-down*) shall be cancelled and shall not:

(i) accumulate or be payable at any time thereafter and Holders shall have no further rights or claims in respect of any interest (or part thereof) not paid,

whether in the case of bankruptcy (*faillissement*), liquidation (*liquidatie*) or the dissolution or winding up (*ontbinding en vereffening*) of the Issuer or otherwise;

(ii) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;

(iii) entitle the Holders to any compensation or to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer;

(iv) in any way impose restrictions on the Issuer, including (but not limited to) restricting the Issuer from making any distribution or equivalent payment in connection with Junior Obligations or Parity Obligations.

5. Payments

(a) *Principal*

Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of Capital Securities at the Specified Office of any Paying Agent outside the United States by Euro cheque drawn on, or by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with, a bank in a city in which banks have access to T2.

(b) *Interest*

Payments of interest shall, subject to paragraph (g) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) (*Principal*) above.

(c) *Global Form*

Payments of principal and interest (if any) in respect of Capital Securities represented by a Global Capital Security will (subject as provided below) be made in the manner specified above in relation to Definitive Capital Securities and otherwise in the manner specified in the relevant Global Capital Security, where applicable, against presentation or surrender, as the case may be, of such Global Capital Security at the Specified Office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such Global Capital Security either by such Paying Agent to which it was presented or in the records of relevant Securities Settlement System.

The holder of a Global Capital Security shall be the only person entitled to receive payments in respect of Capital Securities represented by such Global Capital Security and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Capital Security in respect of each amount so paid. Each of the persons shown in the records of relevant Securities Settlement System as the beneficial holder of a particular nominal amount of Capital Securities represented by such Global Capital Security must look solely to the relevant Securities Settlement System, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global

Capital Security. No person other than the holder of such Global Capital Security shall have any claim against the Issuer in respect of any payments due on that Global Capital Security.

(d) *Payments subject to fiscal or other laws*

All payments in respect of the Capital Securities are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 10 (*Taxation*).

(e) *Deduction for unmatured Coupons*

If a Capital Security is presented without all unmatured Coupons relating thereto, then:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; provided, however, that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the **Relevant Coupons**) being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10.1 (*Payment without Withholding*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due. No payments will be made in respect of void Coupons.

(f) *Payments on Business Days*

If the due date for payment of any amount in respect of any Capital Security or Coupon is not a Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(g) *Payments other than in respect of matured Coupons*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Capital Securities at the Specified Office of any Paying Agent outside the United States.

(h) *Partial payments*

If a Paying Agent makes a partial payment in respect of any Capital Security or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and the date of such payment.

6. Redemption and Repurchase

6.1 No fixed maturity

The Capital Securities are perpetual and have no fixed maturity date. The Capital Securities will become repayable only as provided in this Condition 6 (*Redemption and Repurchase*) and in Condition 12 (*Limited Remedies in case of Non-Payment*).

6.2 Redemption at the Option of the Issuer

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), the Issuer may, at its option, having given:

(a) not less than 5 nor more than 15 calendar days' notice to the Holders in accordance with Condition 16 (*Notices*); and

(b) notice to the Agent not less than 2 Business Days before the giving of the notice referred to in (a),

(which notice shall, subject as provided in Condition 6.7 (*Conditions for Redemption and Repurchase*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Capital Securities on (i) any calendar day during the period commencing on (and including) the First Call Date to (and including) the First Reset Date and (ii) on each Interest Payment Date after the First Reset Date at their Prevailing Principal Amount, together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*).

6.3 Redemption for Taxation Reasons

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), if, on the occasion of the next payment due under the Capital Securities, a Tax Event has occurred, then

the Issuer, after having given not less than 5 nor more than 15 calendar days' notice to the Holders in accordance with Condition 16 (*Notices*) and the Agent (which notice shall, subject as provided in Condition 6.7 (*Conditions for Redemption and Repurchase*), be irrevocable) may, at its option, redeem the Capital Securities in whole (but not in part), at any time at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*).

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the date falling on the fifth anniversary of the Issue Date on the occurrence of a Tax Event if, without prejudice to Condition 6.7 (*Conditions for Redemption and Repurchase*) below, the Tax Event constitutes a change in the applicable tax treatment of the Capital Securities and the Issuer demonstrates to the satisfaction of the Competent Authority that such change is material and was not reasonably foreseeable at the time of their issuance.

Tax Event means that as a result of, or in connection with, any change in, or amendment to, or proposed amendment to, the laws or regulations of, or applicable in, the Netherlands or any political subdivision thereof or any authority or agency thereof or therein having power to tax, or any change in the application or official interpretation or the pronouncement by any relevant tax authority that differs from the previously generally accepted position in relation to the Capital Securities, which change or amendment becomes effective on or after the Issue Date (a) to the extent (prior to the relevant (proposed) amendment, change or pronouncement) the Issuer is entitled to claim full or substantially full relief for the purposes of Dutch corporate income tax for any interest payable under the Capital Securities, it will not obtain full or substantially full relief for the purposes of Dutch corporate income tax for any interest payable under the Capital Securities or (b) on the occasion of the next payment due under the Capital Securities, the Issuer has or will become obliged to pay Additional Amounts as provided or referred to in Condition 10 (*Taxation*).

6.4 Redemption upon a Capital Event

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), upon the occurrence of a Capital Event, the Issuer may at its option, having given not less than 5 nor more than 15 calendar days' notice to the Holders in accordance with Condition 16 (*Notices*) and the Agent (which notice shall, subject as provided in Condition 6.7 (*Conditions for Redemption and Repurchase*), be irrevocable), redeem the Capital Securities, in whole (but not in part), at any time at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*).

The Competent Authority may only permit the Issuer to redeem the Capital Securities before the date falling on the fifth anniversary of the Issue Date on the occurrence of a Capital Event if, without prejudice to Condition 6.7 (*Conditions for Redemption and Repurchase*) below, the Competent Authority considers the Capital Event sufficiently certain and the Issuer demonstrates to the satisfaction of the Competent Authority that the Capital Event was not reasonably foreseeable at the time of their issuance.

A **Capital Event** shall occur if there is a change in the regulatory classification of the Capital Securities that has resulted or would be likely to result in the Capital Securities being excluded, in whole or in part, from the Additional Tier 1 Capital of the Issuer or reclassified own funds of a lower quality of the Issuer (in each case on a consolidated and/or solo basis, as applicable), which change in regulatory classification (or reclassification) becomes effective on or after the Issue Date. For the avoidance of doubt, a Capital Event shall not be deemed to have occurred in case of a partial exclusion of the Capital Securities as a result of (i) a Principal Write-down or (ii) a change in the regulatory assessment of the tax effects of a Principal Write-down.

6.5 Clean-Up Redemption

Subject to Condition 6.7 (*Conditions for Redemption and Repurchase*), the Issuer, at any time after the Issue Date, after having given not less than 5 nor more than 15 calendar days' notice to the Holders in accordance with Condition 16 (*Notices*) and the Agent (which notice shall, subject as provided in Condition 6.7 (*Conditions for Redemption and Repurchase*), be irrevocable) may, at its option, redeem the Capital Securities in whole (but not in part), at their Prevailing Principal Amount together with accrued and unpaid interest (excluding interest which has been cancelled or deemed cancelled in accordance with these Conditions) to, but excluding, the date of redemption and any Additional Amounts payable in accordance with Condition 10 (*Taxation*) if 75 per cent. (seventy-five per cent.) or more of the Capital Securities originally issued has been purchased and cancelled at the time of such election.

6.6 Repurchases

The Issuer or any of its subsidiaries may at their option (but subject to the provisions of Condition 6.7 (*Conditions for Redemption and Repurchase*)) repurchase Capital Securities (provided that, in the case of Definitive Capital Securities, all unmatured Coupons and Talons appertaining thereto are repurchased therewith) in the open market or otherwise and at any price, save that any such repurchase may not take place within 5 years after the Issue Date subject to, if and to the extent then required by Applicable Banking Regulations at the relevant time, (i) the Issuer having before or at the same time as such purchase, replaced the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority having permitted such purchase on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances or (ii) the Capital Securities being purchased for market making purposes in accordance with Applicable Banking Regulations. Such Capital Securities may be held, re-issued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

6.7 Conditions for Redemption and Repurchase

(a) *General conditions for redemption and repurchase*

Any optional redemption of Capital Securities pursuant to Condition 6.2 (*Redemption at the Option of the Issuer*), Condition 6.3 (*Redemption for Taxation Reasons*), Condition 6.4 (*Redemption upon a Capital Event*) or Condition 6.5 (*Clean-Up Redemption*) and any repurchase of Capital Securities pursuant to Condition 6.6 (*Repurchases*) are subject to the following conditions, in the case of (i) and (ii) however only if and to the extent then required by Applicable Banking Regulations.

The Capital Securities may only be redeemed or repurchased (as applicable) if the following conditions are met:

(i) the Competent Authority having given its prior written permission to such redemption or repurchase;

(ii) the Issuer having demonstrated to the satisfaction of the Competent Authority that the Issuer complies with Article 78 CRR (or any equivalent or substitute provision under Applicable Banking Regulations), which may include (a) the replacement of the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer or (b) that the own funds and eligible liabilities of the Issuer would, following such redemption or repurchase, exceed its minimum own funds and eligible liabilities requirements (including any applicable buffer requirements) by a margin that the Competent Authority considers necessary at such time;

(iii) if, in the case of a redemption as a result of a Tax Event, an opinion of a recognised law firm of international standing has been delivered to the Issuer, to the effect that the relevant Tax Event has occurred; and

(iv) notwithstanding the above conditions, if, at the time of such redemption or repurchase, the prevailing Applicable Banking Regulations permit the repayment or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out in this Condition 6.7(a) (*General conditions for redemption and repurchase*), the Issuer having complied with such other and/or (as appropriate) additional pre-condition(s).

For the avoidance of doubt, any refusal of the Competent Authority to grant permission shall not constitute a default for any purpose.

(b) *No redemption whilst the Capital Securities are written down*

Following the occurrence of a Principal Write-down, the Issuer shall not be entitled to redeem the Capital Securities pursuant to Condition 6.2 (*Redemption at the Option of the Issuer*) and Condition 6.5 (*Clean-Up Redemption*) until the principal amount of the Capital Securities is increased up to their Original Principal Amount pursuant to Condition 8.2 (*Principal Write-up*) (and any notice of redemption which has been given in such circumstances shall be automatically rescinded and shall be of no force and effect).

(c) *Occurrence of Trigger Event supersedes notice of redemption*

If the Issuer has given a notice of redemption of the Capital Securities pursuant to Condition 6.2 (*Redemption at the Option of the Issuer*), Condition 6.3 (*Redemption for Taxation Reasons*), Condition 6.4 (*Redemption upon a Capital Event*) or Condition 6.5 (*Clean-Up Redemption*) and, after giving such notice but prior to the relevant redemption date, a Trigger Event has occurred, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, the Capital Securities will not be redeemed on the scheduled redemption date and, instead, a Principal Write-down shall occur in respect of the Capital Securities as described under Condition 8 (*Principal Write-down and Principal Write-up*).

Following the occurrence of a Trigger Event, the Issuer shall not be entitled to give a notice of redemption of the Capital Securities pursuant to Condition 6.2 (*Redemption at the Option of the Issuer*), Condition 6.3 (*Redemption for Taxation Reasons*), Condition 6.4 (*Redemption upon a Capital Event*) or Condition 6.5 (*Clean-Up Redemption*) before the Trigger Event Write-Down Date.

6.8 Cancellations

All Capital Securities which are redeemed, and all Capital Securities which are repurchased and surrendered to the Agent for cancellation, will (subject to Condition 6.7 (*Conditions for Redemption and Repurchase*)) forthwith be cancelled (together, in the case of Definitive Capital Securities, with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption).

7. Substitution and Variation

7.1 Substitution and variation

Subject to Condition 7.2 (*Conditions to substitution and variation*) and Condition 7.3 (*Occurrence of Trigger Event following notice of substitution or variation*), if a Capital Event or a Tax Event has occurred and is continuing or in order to ensure the effectiveness and enforceability of Condition 9 (*Statutory Loss Absorption or Recapitalisation*), the Issuer may at its option but without any requirement for the consent or approval of the Holders, upon not less than 5 nor more than 15 calendar days' notice to the Holders in accordance with Condition 16 (*Notices*) and upon notice to the Agent (which notice shall, subject as provided in Condition 7.3 (*Occurrence of Trigger Event following notice of substitution or variation*), be irrevocable), substitute all (but not some only) of the Capital Securities or vary the terms of all (but not some only) of the Capital Securities provided that they remain or, as appropriate, become compliant with Applicable Banking Regulations with respect to Additional Tier 1 Capital and that such substitution or variation shall not result in terms that are materially less favourable to the Holders, other than in respect of the effectiveness and enforceability of Condition 9 (*Statutory Loss Absorption or Recapitalisation*) (as reasonably determined by the Issuer).

Following such variation or substitution in accordance with the above, the resulting securities shall (1) have a ranking at least equal to that of the Capital Securities, (2) have at least the same interest rate from time to time applying to the Capital Securities, (3) have the same interest payment dates as the Capital Securities, (4) have the same redemption rights as the Capital Securities, (5) preserve any existing rights under the Capital Securities to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of variation or substitution, (6) have assigned (or maintain) credit ratings at least equal to those assigned to the Capital Securities immediately prior to such variation or substitution which ratings were solicited by the Issuer and (7) be listed on a recognised stock exchange if the Capital Securities were listed immediately prior to such variation or substitution.

Such substitution or variation will be effected without any cost or charge to the Holders.

7.2 Conditions to substitution and variation

Any substitution or variation of the Capital Securities pursuant to Condition 7.1 (*Substitution and variation*) is subject to compliance with any conditions prescribed under Applicable Banking Regulations, including the prior permission of the Competent Authority (if required). For the avoidance of doubt, the Competent Authority has discretion as to whether or not it will approve any such substitution or variation of the Capital Securities.

7.3 Occurrence of Trigger Event following notice of substitution or variation

If the Issuer has given a notice of substitution or variation of the Capital Securities pursuant to Condition 7.1 (*Substitution and variation*) and, after giving such notice but prior to the date of such substitution or variation (as the case may be), a Trigger Event has occurred, the Issuer shall:

(i) only be entitled to proceed with the proposed substitution or variation (as the case may be) provided that such substitution or variation will not affect the timely operation of the Principal Write-down in accordance with Condition 8.1 (*Principal Write-down*); and

(ii) as soon as reasonably practicable, give Holders notice in accordance with Condition 16 (*Notices*) and give notice to the Agent specifying whether or not the proposed substitution or variation (as the case may be) will proceed and, if so, whether any amendments to the substance and/or timing of such substitution or variation (as applicable) will be made.

If the Issuer determines that the proposed substitution or variation (as the case may be) will not proceed, the notice given in accordance with Condition 7.1 (*Substitution and variation*) shall be rescinded and of no force and effect.

8. Principal Write-down and Principal Write-up

8.1 Principal Write-down

(a) *Trigger Event*

Upon the occurrence of a Trigger Event, a Principal Write-down will occur without delay but no later than within one month or such shorter period as may be required by the Competent Authority (such date being a **Trigger Event Write-down Date**), all in accordance with this Condition 8.1 (*Principal Write-down*).

(b) *Trigger Event Write-down Notice*

Upon the occurrence of a Trigger Event, the Issuer shall:

(i) immediately notify the Competent Authority that a Trigger Event has occurred;

(ii) determine the Write-down Amount as soon as possible and no later than the relevant Trigger Event Write-down Date; and

(iii) give notice to Holders (a **Trigger Event Write-down Notice**) in accordance with Condition 16 (*Notices*) and notify the Agent, which notices shall specify (A) that

a Trigger Event has occurred, (B) the Trigger Event Write-down Date and (C) if it has then been determined, the Write-down Amount.

The determination that a Trigger Event has occurred, including the underlying calculations, the Trigger Event Write-down Notice and the Issuer's determination of the relevant Write-down Amount shall be irrevocable and be binding on the Holders.

If the Write-down Amount has not been determined at the time the Issuer gives the Trigger Event Write-down Notice, the Issuer shall, as soon as reasonably practicable following such determination having been made, give a further notice to Holders in accordance with Condition 16 (*Notices*) and notify the Agent, confirming the Write-down Amount. Failure to provide any notice referred to in this Condition will not have any impact on the effectiveness of, or otherwise invalidate, any such Principal Write-down or give Holders any rights as a result of such failure.

(c) *Cancellation of interest and Principal Write-down*

On a Trigger Event Write-down Date, the Issuer shall:

(i) irrevocably cancel all interest accrued on each Capital Security up to (and including) the Trigger Event Write-down Date (whether or not the same has become due at such time); and

(ii) irrevocably reduce the then Prevailing Principal Amount of each Capital Security by the relevant Write-down Amount (such reduction being referred to as a **Principal Write-down**, and **Written Down** being construed accordingly) with effect from the Trigger Event Write-down Date, such Principal Write-down to be effected, save as may be otherwise required by Applicable Banking Regulations and/or the Competent Authority and subject to Condition 8.1(e) (*Consequences of a write-down or conversion*), *pro rata* and concurrently with the Principal Write-down of the other Capital Securities and the write-down or conversion into equity (as the case may be) of the then prevailing principal amount of any Parity Loss Absorbing Instruments.

Condition 4.2 (*Interest cancellation*) shall apply accordingly in respect of interest payments cancelled on a Trigger Event Write-down Date in accordance with Condition 8 (*Principal Write-down and Principal Write-up*).

In addition, the Competent Authority shall be entitled to write down the Capital Securities in accordance with its statutory powers, as more fully described in Condition 9 (*Statutory Loss Absorption or Recapitalisation*).

(d) *Write-down Amount*

In these Conditions, **Write-down Amount** means, on any Trigger Event Write-down Date, the amount by which the then Prevailing Principal Amount of each outstanding Capital Security is to be Written Down and which is calculated per Calculation Amount of such Capital Security, being the minimum of:

(i) the amount per Calculation Amount (together with, subject to Condition 8.1(e) (*Consequences of a write-down or conversion*), the concurrent pro rata Principal Write-down of the other Capital Securities and the write-down or conversion into equity of the prevailing principal amount of any Parity Loss Absorbing

Instruments and the prior or concurrent write down or conversion into equity of all of the outstanding principal amount of any Prior Loss Absorbing Instruments) that would be sufficient to immediately restore the Issuer CET1 Ratio to not less than 5.125 per cent., provided that, with respect to each Prior Loss Absorbing Instrument and/or Parity Loss Absorbing Instrument (if any), such pro rata write down and/or conversion shall only be taken into account to the extent required to restore the Issuer CET1 Ratio contemplated above to the lower of (x) such Prior Loss Absorbing Instrument's and/or Parity Loss Absorbing Instrument's trigger level and (y) the trigger level in respect of which the relevant Trigger Event under the Capital Securities has occurred, in each case, in accordance with the terms of the relevant instruments and the Applicable Banking Regulations; or

(ii) the amount necessary to reduce the Prevailing Principal Amount of the Capital Security to one cent.

The Write-down Amount for each Capital Security will therefore be the product of the amount calculated in accordance with this Condition 8.1(d) (*Write-down Amount*) per Calculation Amount and the Prevailing Principal Amount of each Capital Security divided by the Calculation Amount (in each case immediately prior to the relevant Trigger Event Write-down Date).

In calculating any amount in accordance with Condition 8.1(d)(i), the Common Equity Tier 1 Capital (if any) generated as a result of the cancellation of interest pursuant to Condition 8.1(c)(i) shall not be taken into account.

(e) *Consequences of a write-down or conver*sion

To the extent the write-down or conversion into equity of any Prior Loss Absorbing Instruments and/or Parity Loss Absorbing Instruments is not effective for any reason (i) the ineffectiveness of any such write-down or conversion into equity shall not prejudice the requirement to effect a Principal Write-down of the Capital Securities pursuant to Condition 8.1 (*Principal Write-down*) and (ii) the write-down or conversion into equity of any Prior Loss Absorbing Instruments and/or Parity Loss Absorbing Instruments which is not effective shall not be taken into account in determining the Write-down Amount of the Capital Securities.

Any Parity Loss Absorbing Instruments and/or Prior Loss Absorbing Instruments that may be written down or converted to equity in full (save for any one cent floor) but not in part only shall be treated for the purposes only of determining the relevant *pro rata* amounts in Condition 8.1(c)(ii) and 8.1(d)(i) as if their terms permitted partial write-down or conversion into equity.

(f) *No default*

Any Principal Write-down of the Capital Securities shall not:

(i) constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever;

(ii) constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the

bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer.

The Holders shall have no further rights or claims against the Issuer (whether in the case of bankruptcy (*faillissement*), liquidation (*liquidatie*) or the dissolution or winding up (*ontbinding en vereffening*) of the Issuer or otherwise) with respect to any interest cancelled and any principal Written Down in accordance with this condition (including, but not limited to, any right to receive accrued but unpaid and future interest or any right of repayment of principal, but without prejudice to their rights in respect of any reinstated principal following a Principal Write-up pursuant to Condition 8.2 (*Principal Write-up*)).

(g) *Principal Write-down may occur on one or more occasions*

A Principal Write-down may occur on one or more occasions and accordingly the Capital Securities may be Written Down on one or more occasions (provided, however, that the principal amount of a Capital Security shall never be reduced to below one cent).

8.2 Principal Write-up

(a) *Principal Write-up*

Subject to compliance with the Applicable Banking Regulations, if a positive Net Result is recorded (a **Return to Financial Health**) at any time while the Prevailing Principal Amount is less than the Original Principal Amount, the Issuer may, at its full discretion but subject to Conditions 8.2(b) (*Maximum Distributable Amount*), 8.2(c) (*Maximum Write-up Amount*) and 8.2(d) (*Principal Write-up and Trigger Event*) increase the Prevailing Principal Amount of each Capital Security (a **Principal Write-up**) up to a maximum of its Original Principal Amount on a *pro rata* basis with the other Capital Securities and with any other Discretionary Temporary Write-down Instruments capable of being written-up in accordance with their terms at the time of the Principal Write-up (based on the then prevailing principal amounts thereof), provided that the Maximum Write-up Amount is not exceeded as determined in accordance with Condition 8.2(c) below (*Maximum Write-up Amount*).

Any Principal Write-up Amount will be subject to the same terms and conditions as set out in these Conditions.

For the avoidance of doubt, the principal amount of a Capital Security shall never be increased in excess of its Original Principal Amount.

(b) *Maximum Distributable Amount*

A Principal Write-up of the Capital Securities shall not be effected in circumstances which (when aggregated together with relevant distributions of the Issuer of the kind referred to in Section 3:62b(2) Wft (implementing Article 141(2) CRD IV Directive), Section 3:62ba(2) Wft (implementing Article 141b(2) CRD IV Directive), Section 3a:11(b) Wft (implementing Article 16a BRRD) or Section 10a SRMR or in any Applicable Banking Regulations which require a maximum distributable amount to be calculated and taken into account for this purpose) would cause the Maximum Distributable Amount (if any) to be exceeded, if required to be calculated at such time.

(c) *Maximum Write-up Amount*

A Principal Write-up of the Capital Securities will not be effected at any time in circumstances to the extent the sum of:

(i) the aggregate amount of the relevant Principal Write-up on all the Capital Securities;

(ii) the aggregate amount of any interest on the Capital Securities that was paid or calculated (but disregarding any such calculated interest which has been cancelled) on the basis of a Prevailing Principal Amount that is lower than the Original Principal Amount at any time after the end of the then previous Financial Year;

(iii) the aggregate amount of the increase in principal amount of each Discretionary Temporary Write-down Instrument to be written-up at the time of the relevant Principal Write-up and the increase in principal amount of the Capital Securities or any Discretionary Temporary Write-down Instruments resulting from any previous write-up since the end of the then previous Financial Year; and

(iv) the aggregate amount of any interest payments on each Loss Absorbing Instrument that were paid or calculated (but disregarding any such calculated interest which has been cancelled) on the basis of a prevailing principal amount that is lower than the original principal amount at which such Loss Absorbing Instrument was issued at any time after the end of the then previous Financial Year,

would exceed the Maximum Write-up Amount.

In these Conditions, the **Maximum Write-up Amount** means the Net Result (i) multiplied by the aggregate issued original principal amount of all Written-Down Additional Tier 1 Instruments, and (ii) divided by the Tier 1 Capital of the Issuer as at the date when the Principal Write-up is operated, both (i) and (ii) as calculated on a consolidated or a solo basis (as applicable).

(d) *Principal Write-up and Trigger Event*

A Principal Write-up will not be effected whilst a Trigger Event has occurred and is continuing. Further, a Principal Write-up will not be effected in circumstances where such Principal Write-up (together with the simultaneous write-up of all other Discretionary Temporary Write-down Instruments) would cause a Trigger Event to occur.

(e) *Principal Write-up may occur on one or more occasions*

Principal Write-up may be made on one or more occasions until the Prevailing Principal Amount of the Capital Securities has been reinstated to the Original Principal Amount.

Any decision by the Issuer to effect or not to effect any Principal Write-up on any occasion shall not preclude it from effecting (in the circumstances permitted by this Condition 8.2 (*Principal Write-up*)) or not effecting any Principal Write-up on any other occasion.

(f) *Notice of Principal Write-up*

The Issuer shall, as soon as reasonably practicable following its formal decision to effect a Principal Write-up in respect of the Capital Securities and in any event not later than five Business Days prior to the date on which the Principal Write-up shall take effect, give notice of such Principal Write-up to the Holders in accordance with Condition 16 (*Notices*) and notify the Agent. Such notice shall confirm the amount of such Principal Write-up and the date on which such Principal Write-up is to take effect whereby the interest will be calculated as set out in Condition 4.1(f) (*Calculation of interest amounts and any broken amounts*).

8.3 Foreign Currency Instruments

If, in connection with any Principal Write-down or Principal Write-up of the Capital Securities, any instruments are not denominated in the Accounting Currency at the relevant time (**Foreign Currency Instruments**, which may include the Capital Securities, any relevant Parity Loss Absorbing Instruments and/or any relevant Prior Loss Absorbing Instruments, as applicable), the determination of the relevant Write-down Amount or Write-up Amount (as the case may be) in respect of the Capital Securities and the relevant write-down (or conversion into equity) amount or write-up amount (as the case may be) of Parity Loss Absorbing Instruments and/or Prior Loss Absorbing Instruments shall be determined by the Issuer based on the relevant foreign currency exchange rate used by the Issuer in the preparation of its regulatory capital returns under the Applicable Banking Regulations.

9. Statutory Loss Absorption or Recapitalisation

Capital Securities may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the relevant Resolution Authority) that (a) all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off or otherwise be applied to absorb losses (such loss absorption, **Statutory Loss Absorption**), subject to write-up by the Resolution Authority or (b) all or part of the nominal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be converted into CET1 instruments (such conversion, **Recapitalisation**) all as prescribed by the Applicable Resolution Framework). Upon any such determination:

(i) the relevant proportion of the principal amount of the Capital Securities subject to Statutory Loss Absorption or Recapitalisation shall be written off or otherwise be applied to absorb losses or converted into CET1 instruments, as prescribed by the Applicable Resolution Framework;

(ii) Holders shall have no further rights or claims, whether in the case of bankruptcy (*faillissement*), liquidation (*liquidatie*) or the dissolution or winding up (*ontbinding en vereffening*) of the Issuer or otherwise in respect of any amount written off or subject to conversion or otherwise as a result of such Statutory Loss Absorption or Recapitalisation, including, but not limited to, any right to receive accrued but unpaid and future interest or any right of repayment;

(iii) such Statutory Loss Absorption or Recapitalisation shall not constitute an event of default of the Issuer or a breach of the Issuer's other obligations or duties or a failure to perform by the Issuer in any manner whatsoever; and

(iv) such Statutory Loss Absorption or Recapitalisation shall not constitute the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to any compensation or to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer.

In addition, subject to the determination by the relevant Resolution Authority and without the consent of the Holders, the Capital Securities may be subject to other resolution measures as envisaged under the Applicable Resolution Framework, such as replacement or substitution of the Issuer, transfer of the Capital Securities, expropriation of Holders, modification of the terms of the Capital Securities, suspension of any payment or delivery obligations of the Issuer under or in connection with the Capital Securities and/or suspension or termination of the listings of the Capital Securities. Such determination, the implementation thereof and the rights of Holders shall be as prescribed by the Applicable Resolution Framework, which may include the concept that, upon such determination, no Holder shall be entitled to claim any indemnification or payment in respect of any tax or other consequences arising from any such event. Any such event shall not constitute an event of default or the occurrence of any event related to the insolvency of the Issuer or entitle the Holders to take any action to cause the bankruptcy (*faillissement*), liquidation (*liquidatie*), dissolution or winding up (*ontbinding en vereffening*) of the Issuer.

The Issuer shall as soon as practicable give notice to the Holders in accordance with Condition 16 (*Notices*) and give notice to the Agent that Statutory Loss Absorption or Recapitalisation has occurred and of the amount adjusted downwards upon the occurrence of Statutory Loss Absorption or Recapitalisation. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such Statutory Loss Absorption or Recapitalisation or give Holders any rights as a result of such failure.

Upon any write off or conversion of a proportion of the principal amount of the Capital Securities as a result of Statutory Loss Absorption or Recapitalisation, any reference in these Conditions to principal, nominal amount, principal amount, Original Principal Amount or Prevailing Principal Amount shall be deemed to be to the amount resulting after such write off or conversion.

10. Taxation

10.1 Payment without Withholding

All amounts payable (whether in respect of principal, redemption amount, interest or otherwise) in respect of the Capital Securities will be made free and clear of and 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 or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes or duties is required by law or by the administration or official interpretation thereof at the initiative of the relevant tax authority of the Issuer. In that event, the Issuer will pay such additional amounts (**Additional Amounts**) as shall be necessary in order that the net amounts received by the Holders or Couponholders after such withholding or deduction shall equal the respective amounts of interest which would otherwise have been receivable in respect of the Capital Securities 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 Capital Security or Coupon:

(a) in respect of payment of any Prevailing Principal Amount; or

(b) presented for payment by or on behalf of a Holder or Couponholder who is liable for such taxes or duties in respect of such Capital Security or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Capital Security or Coupon or the receipt of principal or interest in respect thereof; or

(c) presented for payment by or on behalf of a Holder or Couponholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

(d) presented for payment more than 30 calendar 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 calendar day assuming that day to have been a Business Day; or

(e) as a result of a withholding or deduction pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*), as amended from time to time, on payments due to a Holder or Couponholder affiliated (*gelieerd*) to the Issuer within the meaning of the Dutch Withholding Tax Act 2021 as at the date of this Securities Note.

The Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service (**FATCA Withholding**) as a result of a Holder, Couponholder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA Withholding. The Issuer will have no obligation to pay Additional Amounts or otherwise indemnify an investor for any such FATCA Withholding deducted or withheld by the Issuer, any Paying Agent or any other party.

As used herein, the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the 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 Holders in accordance with Condition 16 (*Notices*).

10.2 Additional Amounts

Any reference in these Conditions to any amounts (including any payments or cancellation of interest) in respect of the Capital Securities shall be deemed also to include any Additional Amounts which may be payable under this Condition 10 (*Taxation*). For the avoidance of doubt, Additional Amounts shall only be payable to the extent the Issuer has sufficient Distributable Items and such payment would not cause

the Maximum Distributable Amount, if any, to be exceeded, if required to be calculated at such time.

11. Prescription

The Capital Securities and Coupons will become void unless claims in respect of principal and/or interest are made within a period of five years after the Relevant Date (as defined in Condition 10.1 (*Payment without Withholding*)) therefor.

Any Coupon sheet issued on exchange of a Talon shall not include any Coupon which payment claim would be void pursuant to this Condition or Condition 5(e) (*Deduction for unmatured Coupons*) or any Talon which would be void pursuant to Condition 5(e) (*Deduction for unmatured Coupons*).

12. Limited Remedies in case of Non-Payment

Any failure by the Issuer to pay interest or the Prevailing Principal Amount when due in respect of the Capital Securities shall not constitute an event of default and does not give Holders any right to demand repayment of the Prevailing Principal Amount.

If any of the following events shall have occurred and be continuing:

(i) the Issuer is declared bankrupt (*failliet*); or

(ii) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company and such company assumes all obligations contracted by the Issuer in connection with the Capital Securities,

then any Holder may, by written notice to the Issuer at its specified office, effective upon the date of receipt thereof by the Issuer, declare the Capital Security held by the Holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Prevailing Principal Amount and any accrued but unpaid interest from the previous Interest Payment Date up to (but excluding) the date of repayment (to the extent payment of such interest amount is not cancelled pursuant to Condition 4.2 (*Interest cancellation*), without presentment, demand, protest or other notice of any kind provided that repayment of Capital Securities will only be effected after the Issuer has obtained the prior written permission of the Competent Authority provided that at the relevant time such permission is required.

No remedy against the Issuer other than as referred to in this Condition 12 (*Limited Remedies in case of Non-Payment*) shall be available to the Holders, whether for recovery of amounts owing in respect of the Capital Securities or in respect of any breach by the Issuer of any of its obligations under or in respect of the Capital Securities.

13. Replacement of Capital Securities, Coupons and Talons

Should any Capital Security, 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 Capital Securities, Coupons or Talons must be surrendered before replacements will be issued.

14. Agent and Paying Agents

The names of the initial Agent and the other 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) so long as the Capital Securities are listed on any stock exchange, 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;

(b) there will at all times be a Paying Agent with a specified office in a city in the European Union; and

(c) there will at all times be an Agent.

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 or more than 45 calendar days' prior notice thereof shall have been given by the Issuer to the Holders in accordance with Condition 16 (*Notices*).

15. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon 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 a further Talon, subject to the provisions of Condition 11 (*Prescription*). Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

Upon the due date for redemption of any Capital Security, any unexchanged Talon relating to such Capital Security shall become void and no Coupon will be delivered in respect of such Talon.

16. Notices

All notices regarding the Capital Securities shall be published (i) in at least one daily newspaper of wide circulation in the Netherlands, which is expected to be *Het Financieele Dagblad*, and (ii) for so long as the Capital Securities are listed on Euronext in Amsterdam and Euronext in Amsterdam so requires, by the delivery of the relevant notice to Euronext in Amsterdam and through a press release which will also be made available on the website of the Issuer (www.vanlanschotkempen.com). Any such notice will be deemed to have been given on the date of the first publication in all the newspapers in which such publication is required to be made.

Until such time as any Definitive Capital Securities are issued, there may (provided that, in the case of any publication required by a stock exchange, the rules of the stock

exchange so permit), so long as the Global Capital Security is held in its entirety on behalf of the Securities Settlement System, be substituted for publication in some or all of the newspapers referred to above, the delivery of the relevant notice to the Securities Settlement System for communication by it to the Holders, provided that for so long as any Capital Securities 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 also be published in the manner required by those rules. Any such notice shall be deemed to have been given to the Holders on the day on which the said notice was given to the Securities Settlement System.

Notices to be given by any Holder shall be in writing and given by lodging the same, together (in the case of any Capital Security in definitive form) with the relative Capital Security or Capital Securities, with the Agent. Whilst any of the Capital Securities are represented by a Global Capital Security, such notice may be given by any Holder to the Agent via the Securities Settlement System in such manner as the Agent and the Securities Settlement System may approve for this purpose.

17. Meetings of Holders and Modification

17.1 Meetings of Holders

The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Holders to consider matters relating to the Capital Securities, including the sanctioning by an Extraordinary Resolution of a modification of the Capital Securities, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Holders holding not less than five per cent. in Prevailing Principal Amount outstanding at such time. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in Prevailing Principal Amount outstanding at such time, or at any adjourned meeting one or more persons being or representing Holders whatever the Prevailing Principal Amount outstanding at such time so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Capital Securities or Coupons (including modifying any date for payment of principal or interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Capital Securities or altering the currency of payment of the Capital Securities or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in Prevailing Principal Amount outstanding at such time. An Extraordinary Resolution passed at any meeting of Holders shall be binding on all the Holders, whether or not they are present at the meeting, and on all Couponholders.

Convening notices shall be made in accordance with Condition 16 (*Notices*).

The Agency Agreement provides that, if authorised by the Issuer, (i) a resolution in writing signed by or on behalf of the Holders of not less than 75 per cent. in Prevailing Principal Amount outstanding at such time or (ii) consents given by way of electronic consents communicated through the electronic communications systems of the relevant Securities Settlement System(s) in accordance with their operating procedures by or on behalf of the Holders of not less than 75 per cent. in Prevailing Principal Amount outstanding at such time, shall for all purposes be as valid and effective as an extraordinary resolution passed at a meeting of Holders duly convened and held,

provided that the terms of the proposed resolution have been notified in advance to the Holders through the Securities Settlement System. 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 Holders.

Resolutions of Holders will only be effective if such resolutions have been approved by the Issuer and, if so required, by the Competent Authority.

17.2 Modification

Subject to obtaining the permission therefor from the Competent Authority if so required, the Agent and the Issuer may agree, without the consent of the Holders or Couponholders, to:

(a) any modification (except as mentioned above) of the Agency Agreement which, in the sole opinion of the Issuer, is not materially prejudicial to the interests of the Holders and Couponholders; or

(b) any modification of the Capital Securities, the Coupons or the Agency Agreement which is, in the sole opinion of the Issuer (acting reasonably), of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of law or as a result of the operation of a benchmark replacement in accordance with Condition 4.2(d) (*Interest non-cumulative; no event of default*).

Any such modification shall be binding on the Holders and the Couponholders and any such modification shall be notified to the Holders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

18. Further Issues

The Issuer may from time to time without the consent of the Holders or Couponholders create and issue further capital securities, having terms and conditions the same as those of the Capital Securities, or the same except for the amount and date of the first payment of interest, which may be consolidated and form a single series with the outstanding Capital Securities.

19. Governing Law and Submission to Jurisdiction

19.1 Governing Law

The Capital Securities, the Coupons and the Talons, any non-contractual obligations arising out of or in connection therewith and the choice of court agreement included in Condition 19.2 (*Jurisdiction*) are governed by, and shall be construed in accordance with, the laws of the Netherlands.

19.2 Jurisdiction

The Issuer irrevocably agrees, for the benefit of the Holders, the Couponholders and holders of Talons, that the courts of Amsterdam are to have exclusive jurisdiction to settle any disputes (**Dispute**) which may arise out of or in connection with the Capital Securities, the Coupons and/or the Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Capital Securities, the

Coupons and/or the Talons) and accordingly submits to the exclusive jurisdiction of the Amsterdam courts.

19.3 Right to take proceedings outside the Netherlands

Condition 19.2 (*Jurisdiction*) is for the benefit of the Holders, the Couponholders and holders of Talons only. As a result, nothing in this Condition 19 (*Governing Law and Submission to Jurisdiction*) prevents any Holder, Couponholder or holder of Talons from taking proceedings relating to a Dispute (**Proceedings**) in any other competent courts with jurisdiction. To the extent allowed by law, the Holders, the Couponholders or the holders of Talons may take concurrent Proceedings in any number of jurisdictions.

FORM OF THE CAPITAL SECURITIES

The Capital Securities will initially be in the form of the Temporary Global Capital Security which will be deposited on the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg.

The Capital Securities will be issued in new global note (**NGN**) form. On 13 June 2006, the European Central Bank (the **ECB**) announced that Capital Securities in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the **Eurosystem**), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Capital Securities in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The Capital Securities are not intended to be held in a manner which would allow Eurosystem eligibility - that is, in a manner which would allow the Capital Securities to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem. Whilst the Capital Securities are not intended to be held in a manner which would allow Eurosystem eligibility at the date of this Securities Note, should the Eurosystem eligibility criteria be amended in the future such that the Capital Securities are capable of meeting them the Capital Securities may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Capital Securities will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Whilst any Capital Security is represented by the Temporary Global Capital Security and subject to TEFRA D selling restrictions, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Capital Security are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear or Clearstream, Luxembourg and Euroclear or Clearstream, Luxembourg have given a like certification (based on the certifications they have received) to the Agent.

On and after the date (the **Exchange Date**) which is not less than 40 days after the Issue Date, interests in the Temporary Global Capital Security will be exchangeable (free of charge), upon request as described therein, for interests in the Permanent Global Capital Security against certification of beneficial ownership as described in the second sentence of the preceding paragraph. The holder of the Temporary Global Capital Security will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Capital Security for an interest in the Permanent Global Capital Security is improperly withheld or refused.

So long as the Capital Securities are represented by a Temporary Global Capital Security or a Permanent Global Capital Security and the relevant clearing system(s) so permit, the Capital Securities will be tradable only in the minimum authorised denomination of €200,000 and higher

integral multiples of €1000, notwithstanding that no Definitive Capital Securities will be issued with a denomination above €399,000.

The Permanent Global Capital Security will be exchangeable (free of charge), in whole but not in part, for security printed Definitive Capital Securities with interest coupons or coupon sheets and talons attached. Such exchange may be made only upon the occurrence of an Exchange Event and if permitted by applicable law. An **Exchange Event** means the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no successor clearing system is available. The Issuer will promptly give notice to Holders in accordance with Condition 16 (*Notices*) upon the occurrence of an Exchange Event. In the event of the occurrence of an Exchange Event any person who is at any time shown as accountholder in the records of Euroclear and/or Clearstream, Luxembourg as persons holding a principal amount of interest in the Permanent Global Capital Security may give notice to the Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date on which the relevant notice is received by the Agent. The Temporary Global Capital Security, the Permanent Global Capital Security and Definitive Capital Securities will be issued pursuant to the Agency Agreement.

Payments of principal and interest (if any) on a Permanent Global Capital Security will be made through Euroclear or Clearstream, Luxembourg without any requirement for certification. Definitive Capital Securities will be in the standard euromarket form. Definitive Capital Securities and any Global Capital Security will be to bearer.

A Capital Security may be accelerated by the holder thereof in limited circumstances described in Condition 12 (*Limited Remedies in case of Non-Payment*). In such circumstances, where any Capital Security is still represented by a Global Capital Security and a holder of such Capital Security so represented and credited to his account with Euroclear or Clearstream, Luxembourg gives notice that it wishes to accelerate such Capital Security, unless within a period of 15 days payment has been made in full of the amount due in accordance with the terms of such Global Capital Security, holders of interests in such Global Capital Security credited to their accounts with Euroclear or Clearstream, Luxembourg will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear or Clearstream, Luxembourg on and subject to the terms of the relevant Global Capital Security.

USE OF PROCEEDS

The proceeds of the issue of the Capital Securities will be applied by the Issuer for its general corporate purposes and to strengthen its capital base.

ADDITIONAL FINANCIAL INFORMATION

Working Capital

The Issuer and its consolidated subsidiaries are of the opinion that its working capital is sufficient for their present requirements, that is for at least a period of twelve months following the date of this Securities Note.

The Issuer's current own funds are sufficient to comply with all own funds requirements applicable to it. The Issuer currently complies with the applicable liquidity requirements as set out in the CRR. The Issuer's current liquidity position is sufficient to comply with all liquidity requirements applicable to it.

Description of alternative performance measures

This section provides further information relating to alternative performance measures (**APMs**) for the purposes of the European Securities and Markets Authority (**ESMA**) Guidelines on Alternative Performance Measures (the **APM Guidelines**). Certain of the financial measures used by the Issuer and included in this Securities Note can be characterized as APMs. The Issuer believes that these APMs provide useful insights for investors in the performance of the Issuer. As a result, the APMs are included in this Securities Note to allow potential holders of the Capital Securities to better assess the Issuer's performance and business and are set out below further clarifications as to the meaning of such measures (and any associated terms). The APMs set out in this section have not been audited or reviewed.

	H1 2023	FY 2022	FY 2021
(Assets under Management) (AuM) (*bln EUR)	115.2	107.8	115.6

Assets deposited by clients, consisting of assets under discretionary management and assets under non-discretionary management. The elements of the Assets under Management reconcile to elements in the Issuer's unaudited information set out in the tables "Client Assets" that are incorporated by reference as the H1 2023 Issuer APM Information (pages 8, 15 and 16) and the 2022 Issuer APM Information (page 47). The APM Assets under Management is managerial information and cannot be calculated from line items in the IFRS financial statements. The Issuer believes that this APM provides useful insights for investors in the development of the fee generating asset base.

	H1 2023	FY 2022	FY 2021
Client Assets (*bln EUR)	130.8	124.2	131.2

Client Assets are referred to as the sum of assets under management, assets under administration and savings and deposits. The elements of Client Assets reconcile to elements in the Issuer's unaudited information set out in the tables "Client Assets" that are incorporated by reference as the H1 2023 Issuer APM Information (pages 8, 15 and 16) and the 2022 Issuer APM Information (page 47). The APM Client Assets is managerial information and cannot be calculated from line items in the IFRS financial statements. The Issuer believes that this APM

provides useful insights for investors in the development of client entrusted savings and deposits and the fee generating asset base.

	H1 2023	FY 2022	FY 2021
Coverage Ratio, %	23.9	25	28

The percentage of impaired loans covered by provisions. Calculated as the ratio between (i) provisions for loans and advances to the public and private sector and (ii) impaired loans and advances to the public and private sector. The elements of the Coverage Ratio reconcile to the Issuer's financial statements. The Issuer believes that this APM provides useful insights for investors in the credit quality of the loan book.

For the provisions for loans and advances to the public and private sector reference is made to page 40 of the H1 2023 APM Issuer information (see line item 'Stage 3' and column 'Provision' of the table in note 26) and page 142 of the 2022 APM Issuer information (see line item 'Stage 3' and column 'Provision' of table 3.8.C).

For the impaired loans and advances to the public and private sector reference is made to page 40 of the H1 2023 APM Issuer information (see line item 'Stage 3' and column 'Loan portfolio' of the table in note 26) and page 142 of the 2022 APM Issuer information (see line item 'Stage 3' and column 'Loan portfolio' of table 3.8.C).

	H1 2023	FY 2022	FY 2021
Dividend Payout Ratio, %	N/A	66.9	53.4

The Dividend Payout Ratio is the fraction of Underlying Net Result for a period to be paid to the Issuer's shareholders in dividends and is based on underlying net result attributable to shareholders of the Issuer. The Underlying Net Result, which is the net result adjusted for minority interests, the share of holders of AT1 capital securities, and the net effect of selected special items. The Dividend Payout Ratio is calculated as the ratio of (i) dividend proposal to be distributed and (ii) Underlying Net Result attributable to shareholders. The elements of the Dividend Payout Ratio reconcile to the Issuer's financial statements and elements in the Issuer's unaudited managerial information. The Issuer believes that this APM provides useful insights for investors in the paid out proportion of the net result as well as the proportion of the net result that is added to the reserves of the Issuer.

For the dividend proposal to be distributed reference is made to 2022 APM Issuer Information on page 191, (see line item 'Proposed dividend per ordinary share' in note 33, EUR 1.75 per share in FY 2022 and EUR 2.00 per share in FY 2021) multiplied by the number of outstanding shares. For the number of outstanding shares (being 41,361,668) reference is made to the 2022 APM Issuer Information on page 182 (see line item 'At 31 December' in table 'changes in share capital') minus the depositary receipts for Class A ordinary shares the Issuer holds to meet open positions (FY 2022: 644,350 shares, FY 2021: 514,511 shares, see text below the table 'changes in share capital') plus for FY 2022 the shares issued as a result of the acquisition of the remaining 30% stake in Mercier Vanderlinden (FY 2022: 1,678,270, for which reference is made to page 33 of the Registration Document).

For net underlying result attributable to shareholders reference is made to APM Underlying Net Result. This Underlying Net Result is corrected for elements that are not attributable to shareholders, see page 114 of the 2022 APM Issuer Information (IFRS line items 'of which

attributable to holders of AT1 capital securities' and 'of which attributable to other non-controlling interests').

	H1 2023	FY 2022	FY 2021
Efficiency Ratio, %	74.5	73.1	68.9

The Efficiency Ratio displays operating expenses as a percentage of income of operating activities. The Efficiency Ratio is calculated as the ratio of (i) operating expenses excluding impairments and result from the sale of public and private sector loans and advances and (ii) income from operating activities. The elements of the Efficiency Ratio reconcile to the Issuer's financial statements and elements in the Issuer's unaudited managerial information. The Issuer believes that this APM provides useful insights for investors in the profitability of the Issuer.

For the operating expenses excluding impairments and result from the sale of public and private sector loans and advances reference is made to page 24 of the H1 2023 APM Issuer Information (see line item 'Operating expenses') and page 114 of the 2022 APM Issuer Information (see line item 'Operating expenses') minus other adjustments derived from managerial information (totalling EUR 13.2 mln in H1 2023, EUR 27.4 mln in FY 2022 and EUR 27.9 mln in FY 2021) which cannot be calculated from line items in the IFRS financial statements. These adjustments include expenses non-strategic investments, amortization of intangible assets arising from acquisitions, expenses related to accounting treatment Mercier Vanderlinden, provision revolving consumer credit and restructuring charges.

For the income from operating activities reference is made to page 24 of the H1 2023 APM Issuer Information (see line item 'Income from operating activities') and page 114 of the 2022 APM Issuer Information (see line item 'Income from operating activities') and other adjustments made derived from managerial information which cannot be calculated from line items in the IFRS financial statements. These amendments (totalling EUR -/- 2.1 mln in H1 2023, EUR 21.6 mln in FY 2022 and EUR -/- 3.7 mln in FY 2021) are; minus income non-strategic expenses, plus expenses related to accounting treatment Mercier Vanderlinden, minus provision revolving consumer credit, plus other adjustments.

	H1 2023	FY 2022	FY 2021
Loan-to-Deposit Ratio, %	82.8	73.6	75.7

The Loan-to-Deposit Ratio compares loans and advances to clients to savings and deposits. The Loan-to-Deposit Ratio is calculated as the ratio between (i) loans and advances to clients and (ii) to savings and deposits, which is excluding bank borrowing and lending. The elements of the Loan-to-Deposit Ratio reconcile to the Issuer's financial statements. The Issuer believes that this APM provides useful insights for investors on the funding and liquidity position of the Issuer.

For the loans and advances to clients reference is made to page 23 of the H1 2023 APM Issuer Information (see line item 'loans and advances to the public and private sectors', EUR 9,259 mln) and page 113 of the 2022 APM Issuer Information (see line item 'loans and advances to the public and private sectors', EUR 9,364 mln in FY 2022 and EUR 8,876 mln in FY 2021).

For the savings and deposits reference is made to page 23 of the H1 2023 APM Issuer Information (see line item 'public and private sector liabilities', EUR 11,188 mln) and page 113 of the 2022 APM Issuer Information (see line item 'public and private sector liabilities', FY 2022: EUR 12,726 mln and FY 2021: EUR 11,730 mln).

	H1 2023	FY 2022	FY 2021
Impaired Ratio, %	1.2	1.1	1.7

The percentage of total outstanding loans which are impaired. Calculated as the ratio of (i) the total volume of impaired loans and (ii) the total volume of loans and advances to the public and private sector. The elements of the Impaired Ratio reconcile to the Issuer's financial statements. The Issuer believes that this APM provides useful insights for investors in the credit quality of the loan book.

For the total volume of impaired loans reference is made to page 40 of the H1 2023 APM Issuer Information (see line item '' 'Stage 3' and column 'Loan portfolio' of the table in note 26) and page 142 of the 2022 APM Issuer information (see line item 'Stage 3' and column 'Loan portfolio' of table 3.8.C).

For the total volume of loans and advances to the public and private sector reference is made to page 32 of the H1 2023 APM Issuer Information (see line item 'Total' minus 'Loss allowance for expected credit losses' of the table in note 5) and page 167 of the 2022 APM Issuer Information (see line item 'Total' minus 'Loss allowance for expected credit losses' of the table 'Loans and advances to the public and private sectors' in note 6).

	H1 2023	FY 2022	FY 2021
Return on Average Common Equity Tier I, %	11.4	12.3	15.7

Return on Average Common Equity Tier 1 measures Underlying Net Result attributable to shareholders to the book value of shareholder's equity. Return on equity is calculated as the ratio of (i) (for interim results, annualized) net underlying result attributable to shareholders and (ii) average common equity, calculated on the basis of equity at the start of and end of the reporting period, based on a fully loaded basis. The elements of the Return on Average Common Equity Tier I reconcile to the Issuer's financial statements and elements in the Issuer's unaudited managerial information. The Issuer believes that this APM provides useful insights for investors in the return on capital employed.

For net underlying result attributable to shareholders reference is made to APM Underlying Net Result. This Underlying Net Result is corrected for elements that are not attributable to shareholders, see page 24 of the H1 2023 APM Issuer information (line items 'of which attributable to holders of AT1 capital securities' and 'of which attributable to other non-controlling interests') and page 114 of the 2022 APM Issuer Information (line items 'of which attributable to holders of AT1 capital securities' and 'of which attributable to other non-controlling interests').

For the average common equity reference is made to H1 2023 APM Issuer information page 23 (line item 'equity attributable to shareholders'), page 33 (minus line items 'Goodwill' and 'Other

intangible assets' in the table in note 8) and minus other adjustments (totalling EUR 29.8 mln in H1 2023) derived from managerial information which cannot be calculated from line items in the IFRS financial statements. For the average common equity reference is made to 2022 APM Issuer information page 113 (line item 'equity attributable to shareholders'), page 170 (minus line items 'Goodwill' and 'Other intangible assets' in the table goodwill and other intangible assets in note 10) and minus other adjustments (totalling EUR 95.2 mln in FY 2022 and EUR 54.8 ml in FY 2021) derived from managerial information which cannot be calculated from line items in the IFRS financial statements.

	H1 2023	FY 2022	FY 2021
Underlying Net Result	54.7	117.8	159.9

Underlying Net Result is the net result adjusted for special items. The elements of the Underlying Net Result reconcile to the Issuer's financial statements and elements in the Issuer's unaudited managerial information. The Issuer believes that this APM provides useful insights for investors in the profitability of the Issuer.

For the Underlying Net Result reference is made to H1 2023 APM Issuer Information page 24 (see line item 'net result') and page 9 (see table 'Underlying Net Result') which show the amendments made to the IFRS net result on the basis of managerial information. Managerial information cannot be calculated from line items in the IFRS financial statements. For the Underlying Net Result reference is made to 2022 APM Issuer Information page 114 (see line item 'net result') and page 48 (see table 'Underlying Net Result') which show the amendments made to the IFRS net result on the basis of managerial information. Managerial information cannot be calculated from line items in the IFRS financial statements.

Capital position and requirements

Based on the SREP, the Issuer received a Pillar 2 SREP requirement of 2.9 per cent. and a Pillar 2 guidance, both to be fulfilled by Common Equity Tier 1 (**CET1**) from August 2023 onwards. Consequently, the Issuer's overall CET1 capital requirement amounts to 11.8 per cent. for 2023, to which the Pillar 2 guidance is added. This is the sum of 4.5 per cent. Pillar 1 requirement plus 2.9 per cent. Pillar 2 requirement plus 2.5 per cent. capital conservation buffer plus 0.9 per cent. countercyclical buffer and 1.1 per cent. Pillar 2 guidance.

The Issuer's consolidated Tier 1 ratio requirement as from August 2023 amounts to 14.3 per cent. and the overall total capital requirement to 17.5 per cent. In that context, any shortfall in Pillar 1 and Pillar 2 requirement components which would otherwise be made up of Additional Tier 1 capital according to CRR (**AT1**) or Tier 2 up to their respective limits would have to be met with CET1 for an AT1 shortfall and AT1 or CET1 for a Tier 2 shortfall in order to avoid a breach of the Maximum Distributable Amount.

For the Maximum Distributable Amount calculation, the applicable Pillar 1 and Pillar 2 requirements and the buffer requirements are taken into account. Consequently, based on the Issuer's reported capital ratios, the maximum distributable amount buffers as at 31 December 2022 and 30 June 2023 are described in the table below (*Source*: each of Van Lanschot Kempen N.V.'s publicly available audited and unaudited consolidated financial statements as of and for the financial year ended 31 December 2022 and 30 June 2023 respectively and the unaudited financial information as of 30 September 2023, published in a press release dated 22 January 2024).

	As at 31 December 2022		
	CET1 (Consolidated)	**Tier 1 (Consolidated)**	**Total Capital (Consolidated)**
MDA Threshold	9.0%	11.1%	14.0%
Van Lanschot Kempen N.V. Ratio	20.6%	22.9%	26.4%
Van Lanschot Kempen N.V. RWA (€m)		4,272	
Van Lanschot Kempen N.V. MDA Buffer (%)	11.6%	11.6%	11.6%
Van Lanschot Kempen N.V. MDA Buffer (€m)	495	495	495

	As at 30 June 2023		
	CET1 (Consolidated)	**Tier 1 (Consolidated)**	**Total Capital (Consolidated)**
MDA Threshold	9.9%	12.0%	14.9%
Van Lanschot Kempen N.V. Ratio	21.6%	23.9%	27.4%
Van Lanschot Kempen N.V. RWA (€m)		4,274	
Van Lanschot Kempen N.V. MDA Buffer (%)	11.7%	11.7%	11.7%
Van Lanschot Kempen N.V. MDA Buffer (€m)	500	500	500

	As at 30 September 2023		
	CET1 (Solo / Consolidated)	**Tier 1 (Solo / Consolidated)**	**Total Capital (Solo / Consolidated)**
MDA Threshold	10.2% / 10.8%	12.5% / 13.2%	15.5% / 16.5%
Van Lanschot Kempen N.V. Ratio	16.3% / 18.9%	18.2% / 21.1%	21.0% / 24.6%
Van Lanschot Kempen N.V. RWA (€m)		5,398 / 4,372	
Van Lanschot Kempen N.V. MDA Buffer (%)	6.1% / 8.1%	5.7% / 7.9%	5.5% / 7.9%
Van Lanschot Kempen N.V. MDA Buffer (€m)	332 / 354	309 / 347	296 / 347

(*) Fully Loaded Buffers assume AT1 and Tier 2 are filled, which may or may not always be the case at Van Lanschot Kempen N.V.

Finally, Van Lanschot Kempen N.V. has indicated a CET1 ratio target of 15 per cent. plus a 2.5 per cent. merger and acquisition add-on.

Available distributable items (**ADI**) of the Issuer as at 31 December 2022 amount to EUR 1,147 million (*Source*: Van Lanschot Kempen N.V.'s audited consolidated financial statements as of and for the financial year ended 31 December 2022), page 220 (see line item 'Total distributable items' in the table 'Distributable items') minus EUR 35 million shares to be issued related to the acquisition of the remaining 30% stake in Mercier Vanderlinden by Van Lanschot Kempen.

TAXATION – NETHERLANDS

The following summary outlines certain principal Dutch tax consequences of the acquisition, holding, redemption and disposal of the Capital Securities, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Capital Securities may include an individual or entity who does not have the legal title of these Capital Securities, but to whom nevertheless the Capital Securities or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Capital Securities or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of the Capital Securities.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Securities Note, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch corporate and individual income tax consequences for:

(a) investment institutions (*fiscale beleggingsinstellingen*);

(b) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are not subject to or exempt from Dutch corporate income tax;

(c) holders of Capital Securities holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Capital Securities of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5 per cent. or more of the total issued capital of the Issuer or 5 per cent. or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in the Issuer;

(d) persons to whom the Capital Securities and the income therefrom are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);

(e) entities which are a resident of Aruba, Curaçao or Sint Maarten and that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Capital Securities are attributable to such permanent establishment or permanent representative; and

(f) individuals to whom the Capital Securities or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to 'the Netherlands' or 'Dutch', such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

This summary does not describe the consequences of the exchange or the conversion of the Capital Securities.

Dutch Withholding Tax

All payments made by the Issuer under the Capital Securities may - except in certain very specific cases as described below - be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein provided that the Capital Securities do not in fact function as equity of the Issuer within the meaning of Section 10, paragraph 1, under d 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 (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), 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 anywhere (also a hybrid mismatch), or (vi) is a reverse hybrid whereby the jurisdiction of residence of a higher-tier beneficial owner (*achterliggende gerechtigde*) that has a qualifying interest (*kwalificerend belang*) in the reverse hybrid treats the reverse hybrid as tax transparent and that higher-tier beneficial owner would have been taxable based on one (or more) of the items in (i)-(v) above had the interest been due to him directly, all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

Corporate and Individual Income Tax

Residents of the Netherlands

If a holder of Capital Securities is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Capital Securities are attributable, income derived from the Capital Securities and gains realised upon the redemption or disposal of the Capital Securities are generally taxable in the Netherlands (at up to a maximum rate of 25.8 per cent.).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Capital Securities and gains realised upon the redemption or disposal of the Capital Securities are taxable at the progressive rates (at up to a maximum rate of 49.5 per cent.) under the Dutch Income Tax Act 2001, if:

(a) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Capital Securities are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Capital Securities are attributable; or

(b) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Capital Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (a) nor condition (b) above applies, an individual that holds the Capital Securities, must determine taxable income with regard to the Capital Securities on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is determined based on the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*) (EUR 57,000 in 2024). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The individual's deemed return is calculated by multiplying the individual's yield basis with a 'deemed return percentage' (*effectief rendementspercentage*), which percentage depends on the actual composition of the yield basis, with separate deemed return percentages for savings (*banktegoeden*), other investments (*overige bezittingen*) and debts (*schulden*). As of 1 January 2024, the percentage for other investments, which include the Capital Securities, is set at 6.04 per cent. The deemed return on savings and investments is taxed at a rate of 36 per cent.

Non-residents of the Netherlands

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Capital Securities and gains realised upon the redemption or disposal of the Capital Securities, unless:

(a) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Capital Securities are attributable, or (2) 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 is effectively managed in the Netherlands and to which enterprise the Capital Securities are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25.8 per cent.

(b) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Capital Securities are attributable, or (2) realises income or gains with respect to the Capital Securities that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Capital Securities that exceed regular, active portfolio management, or (3) 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 Capital Securities are attributable.

Income derived from the Capital Securities as specified under (1) and (2) by an individual is subject to individual income tax at progressive rates up to a maximum rate of 49.5 per cent. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "*Residents of the Netherlands*").

Gift and Inheritance tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Capital Securities by way of gift by, or on the death of, a holder of Capital Securities, unless:

(a) the holder of the Capital Securities is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or

(b) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

Value Added Tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Capital Securities or in respect of a cash payment made under the Capital Securities, or in respect of a transfer of the Capital Securities.

Other Taxes and Duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Capital Securities.

SUBSCRIPTION AND SALE

Morgan Stanley Europe SE (the **Sole Lead Manager**) has, pursuant to a subscription agreement dated 25 January 2024 (the **Subscription Agreement**), agreed with the Issuer upon the terms and subject to the satisfaction of certain conditions, to subscribe the Capital Securities at an issue price of 100 per cent. of their principal amount. The Issuer will pay a combined selling, management and underwriting commission, will reimburse the Sole Lead Manager in respect of certain of its expenses and has agreed to indemnify the Sole Lead Manager against certain liabilities incurred in connection with the issue of the Capital Securities. The Subscription Agreement may be terminated in certain circumstances prior to the closing of the issue of the Capital Securities.

The Sole Lead Manager and its affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. The Sole Lead Manager has received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of its business activities, the Sole Lead Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Sole Lead Manager and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

SELLING RESTRICTIONS

United States

The Capital Securities have not been and will not be registered under the Securities Act or the securities laws 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 in certain transactions exempt from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in the previous sentence have the meanings given to them by Regulation S under the Securities Act.

The Capital Securities 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 U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in the previous sentence have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

The Sole Lead Manager has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver any Capital Securities within the United States or to, or for the account or benefit of, U.S. persons (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 closing date (the **Resale Restriction Termination Date**) and it will have sent to each other manager or person receiving a selling concession, fee or other remuneration to which it sells Capital Securities prior to the Resale Restriction Termination Date a confirmation or other notice setting forth the restrictions on offers and sales of the Capital Securities within the United States or to, or for the account or benefit of, U.S. persons. The Sole Lead Manager has further

represented and agreed that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to the Capital Securities, and it and they have complied and will comply with all of the offering restrictions of Regulation S of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the completion of the distribution of the Capital Securities, an offer or sale of Capital Securities within the United States by any manager (whether or not participating in the offering) may violate the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act if such offer is made otherwise than in accordance with an available exemption from registration under the Securities Act.

United Kingdom

The Sole Lead Manager has represented and agreed that:

(a) 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 Financial Services and Markets Act 2000 of England and Wales (the **FSMA**) received by it in connection with the issue or sale of any Capital Securities in circumstances in which section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Capital Securities in, from or otherwise involving the United Kingdom.

Prohibition of Sales to UK Retail Investors

The Sole Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Capital Securities 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; 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 Capital Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Capital Securities.

Prohibition of Sales to EEA Retail Investors

The Sole Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Capital Securities to any retail investor in the EEA or anywhere in the world. 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 2002/92/EC (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Capital Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Capital Securities.

Italy

No application has been or will be made by any person to obtain an authorization from Commissione Nazionale per le Società e la Borsa (**CONSOB**) for the public offering (*offerta al pubblico*) of the Capital Securities in the Republic of Italy. Accordingly, no Capital Securities may be offered, sold or delivered, nor may copies of this Securities Note or of any other document relating to the Capital Securities be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the **Prospectus Regulation**) and any application provision of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Italian CONSOB regulations; or

(ii) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Capital Securities or distribution of copies of the Securities Note or any other document relating to the Capital Securities in the Republic of Italy under (i) or (ii) above must:

(a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and

(b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

France

Each of the Sole Lead Manager and the Issuer has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any Capital Securities in the Republic of France, and has not distributed and will not distribute or cause to be distributed in the Republic of France this Securities Note or any other offering material relating to the Capital Securities, except to qualified investors (investisseurs qualifiés) as defined in, and in accordance with, Article 2(e) of the Prospectus Regulation and Articles L.411-1 and L.411-2 of the French Code monétaire et financier.

Japan

The Capital Securities 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, accordingly, the Sole Lead Manager has represented and agreed that it will not offer or sell any Capital Securities directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, **resident of Japan** means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Switzerland

This Securities Note is not intended to constitute an offer or solicitation to purchase or invest in the Capital Securities described herein. The Capital Securities may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland within the meaning of the Swiss Financial Services Act (the **FinSA**). Neither this Securities Note nor any other offering or marketing material relating to the Capital Securities constitutes a prospectus as such term is understood pursuant to the FinSA, and neither this Securities Note nor any other offering or marketing material relating to the Capital Securities may be publicly distributed or otherwise made publicly available in Switzerland. None of this Securities Note, any other offering or marketing material relating to the offering, the Issuer or the Capital Securities have been or will be filed with or approved by any Swiss regulatory authority. The Capital Securities are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority FINMA, and investors in the Capital Securities will not benefit from protection or supervision by such authority.

Belgium

The Sole Lead Manager has represented and agreed that an offering of the Capital Securities may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1, 2º of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Capital Securities, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Capital Securities, directly or indirectly, to any Belgian Consumer.

General

The Sole Lead Manager has represented and agreed that (to the best of its knowledge and belief) it will comply with all applicable laws and regulations in force in any jurisdiction in or from which it purchases, offers, sells or delivers any Capital Securities or any interest therein or possesses or distributes this Securities Note or any other offering material relating to the Capital Securities and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of any Capital Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor the Sole Lead Manager shall have responsibility therefore. In addition, the Sole Lead Manager has represented and agreed that it will not directly or indirectly offer, sell or deliver any Capital Securities or distribute or publish this Securities Note or any other offering material relating to the Capital Securities in or from any jurisdiction except under circumstances that will not impose any obligations on the Issuer or the Sole Lead Manager.

GENERAL INFORMATION

Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in the Netherlands in connection with the issue and performance of the Capital Securities. The creation and issue of the Capital Securities was authorised by resolutions of the statutory board and the supervisory board of the Issuer passed on 17 October 2023 and 31 October 2023, respectively.

Listing of the Capital Securities

Application has been made for the Capital Securities to be listed and traded from the Issue Date on Euronext Amsterdam. Coöperatieve Rabobank U.A. has been appointed as Listing Agent for that purpose. The costs to the Issuer in connection with the listing and admission to trading of the Capital Securities on Euronext Amsterdam will amount to approximately €20,000.

Interests

Save for the commissions and any fees payable to the Sole Lead Manager, no person involved in the issue of the Capital Securities has an interest, including conflicting ones, material to the offer. The Sole Lead Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

Documents Available

During the life of the Capital Securities, copies of the following documents may be inspected at https://www.vanlanschotkempen.com/en-nl/about-us/investor-relations/debt-investors/library and will be available, during usual business hours on any day (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer:

(a) a copy of this Securities Note and any documents incorporated herein by reference; and

(b) a copy of the Registration Document and any documents incorporated herein by reference; and

(c) a copy of the Agency Agreement.

Post issuance information

The Issuer does not intend to provide any post issuance information in relation to the issue of Capital Securities.

Clearing and settlement systems

The Capital Securities have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The International Securities Identification Number (ISIN) for the Capital Securities is XS2746119952 and the Common Code is 274611995.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

Yield

9.077 per cent. per annum.

The yield is calculated at the Issue Date on the basis of the Issue Price until the First Reset Date. It is not an indication of future yield. Since the Rate of Interest will be reset at the First Reset Date (unless the Issuer redeems the Capital Securities before the First Reset Date), an indication of yield relating to periods after the First Reset Date cannot be given.

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