Wüstenrot & Württembergische AG

(Stuttgart, Federal Republic of Germany)

EUR 300,000,000 Subordinated Fixed to Floating Rate Notes

ISIN XS2378468420, Common Code 237846842, WKN A3E5VS

Issue Price: 99.103 per cent.

Wüstenrot & Württembergische AG (the "**Issuer**", "**W&W AG**", or "**W&W**") will issue on or about September 10, 2021 (the "**Issue Date**") EUR 300,000,000 Subordinated Fixed to Floating Rate Notes in a denomination of EUR 100,000 each (the "**Notes**") at an issue price of 99.103 per cent.

Each Note will bear interest on its current principal amount (i) from (and including) the Issue Date to (but excluding) September 10, 2031 at a rate of 2.125 per cent. per annum, scheduled to be paid annually in arrear on September 10 in each year, commencing on September 10, 2022, and (ii) thereafter, unless previously redeemed, at a rate of 3.25 per cent. per annum above the 3-month Euro Interbank Offered Rate, being the Euro-zone inter-bank offered rate for three-month Euro deposits, scheduled to be paid quarterly in arrear on March 10, June 10, September 10 and December 10 in each year (each a "**Floating Interest Payment Date**"), commencing on December 10, 2031, as further specified in § 3 (Interest) of the terms and conditions of the Notes (the "**Terms and Conditions**").

The Notes do not contain events of default. Under certain circumstances described in § 3 (8) and (9) of the Terms and Conditions, interest payments on the Notes may be deferred at the option of the Issuer or will be required to be deferred.

The Notes are scheduled to be redeemed at the Redemption Amount (as defined in the Terms and Conditions) on the Floating Interest Payment Date falling on or around September 10, 2041 (the "**Scheduled Maturity Date**"), provided that the Conditions to Redemption (as defined in the Terms and Conditions) are met. If this is not the case, the Notes will be redeemed on the first Floating Interest Payment Date following the Scheduled Maturity Date on which the Conditions to Redemption are met. Under certain circumstances described in § 4 of the Terms and Conditions, the Notes may be subject to early redemption, provided that the Conditions to Redemption are met at that time.

The Notes will be governed by the laws of the Federal Republic of Germany ("**Germany**").

The Notes will be issued in bearer form and initially be represented by a Temporary Global Note (the "**Temporary Global Note**") without coupons which will be exchangeable for Notes represented by a Permanent Global Note (the "**Permanent Global Note**" and together with the Temporary Global Note, the "**Global Notes**") without coupons (both as defined in the Terms and Conditions). Interest in the Temporary Global Note will be exchangeable, in whole or in part, for interest in a Permanent Global Note not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Global Bonds will be deposited with a common safekeeper for Clearstream Banking S.A. and Euroclear Bank SA / NV, Frankfurt am Main (together the "**Clearing System**").This Prospectus does not constitute a prospectus within the meaning of Regulation (EU) No 1129/2017 of the European Parliament and of the Council of June 14, 2017 (as amended, the "**Prospectus Regulation**"). Neither the Luxembourg Financial Supervisory Authority, the *Commission de Surveillance du Secteur Financier*, nor any other "competent authority" (as defined in the Prospectus Regulation) has approved this Prospectus or reviewed information contained in this Prospectus.

This Prospectus constitutes a prospectus for the purpose of the Luxembourg Law of July 16, 2019 on Prospectuses for Securities. Application has been made for admission of the Notes to the official list of the Luxembourg Stock Exchange and for trading on the Euro MTF market ("**Euro MTF**") operated by the Luxembourg Stock Exchange, which is a multilateral trading facility for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (as amended, "**MiFID II**"), and therefore an exchange regulated market. This Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu).

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes in any jurisdiction where such offer or solicitation is unlawful.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States or any other jurisdiction. Accordingly, the Notes are being offered and sold only to certain persons outside the United States that are not, and are not acting for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) in offshore transactions in accordance with Regulation S. The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom or elsewhere.

Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition. Investing in the Notes involves certain risks. Please review the section entitled "*1 Risk Factors*" beginning on page 6 of this Prospectus.

Structuring Adviser

UniCredit

Joint Lead Managers

Landesbank Baden-Württemberg **UniCredit**

The date of this Prospectus is 8 September 2021

RESPONSIBILITY STATEMENT

The Issuer, having its registered office in Stuttgart, Federal Republic of Germany, accepts responsibility for the information contained in this Prospectus and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer further confirms that: (i) this Prospectus contains all information with respect to the Issuer and its fully consolidated subsidiaries taken as a whole ("**W&W Group**" or the "**Group**") and to the Notes which is material in the context of the issue and offering of the Notes, including all information which, according to the particular nature of the Issuer and of the Notes is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and W&W Group and of the rights attached to the Notes; (ii) the statements contained in this Prospectus relating to the Issuer, W&W Group and the Notes are in every material respect true and accurate and not misleading; (iii) there are no other facts in relation to the Issuer, W&W Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Prospectus misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements and (v) the statements of opinion, intention, belief or expectation expressed in the Prospectus are honestly and reasonably held. All references to "we", "us", or "our" in this Prospectus are to W&W Group.

NOTICE

No person is authorised to give any information or to make any representation other than that contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers (as defined in the section "*6 Subscription and Sale*").

This Prospectus should be read and understood in conjunction with any supplement hereto and with any documents incorporated herein or therein by reference.

The legally binding language of this Prospectus is English. Any part of the Prospectus in German language constitutes a translation, except for the Terms and Conditions of the Notes as well as the financial statements of the Issuer incorporated by reference into the Prospectus in respect of which German is the legally binding language.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and W&W Group. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Managers to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

This Prospectus reflects the status as of its date. The offering, sale and delivery of the Notes and the distribution of this Prospectus may not be taken as an implication that the information contained herein is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial condition of the Issuer since the date hereof.

To the extent permitted by the laws of any relevant jurisdiction, neither any of the the Managers nor any of their affiliates nor any other person mentioned in this Prospectus, except for the Issuer, accepts responsibility for the accuracy and completeness of the information contained in this Prospectus or any other documents incorporated by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of the Managers, their affiliates or such other persons accept any responsibility for the accuracy and completeness of the information contained in the Prospectus or any of these documents. The Managers have not independently verified any such information and accept no responsibility for the accuracy and completeness thereof.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus and the offering, sale and delivery of the Notes and the distribution of information relating thereto in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and to observe any such restrictions. For a description

of some of these restrictions see "*6 Subscription and Sale*". In particular, the Notes have not been and will not be registered under the Securities Act and are subject to the United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States of America or to U.S. persons as defined in Regulation S under the Securities Act.

The Notes issued pursuant to this Prospectus are complex financial instruments and are not a suitable or appropriate investment for all 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 Notes to retail investors.

In this Prospectus, all references to "**€**", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of May 3, 1998 on the introduction of the Euro, as amended. References to "billions" are to thousands of millions.

For the avoidance of doubt the content of any website referred to in this Prospectus does not form part of this Prospectus and the information on such websites has not been scrutinised or approved by the Luxembourg Stock Exchange as competent authority under the Luxembourg Law of July 16, 2019 on Prospectuses for Securities, as amended.

In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of law is a reference to that law or provision as extended, amended or re-enacted.

STABILISATION

IN CONNECTION WITH THE ISSUE OF THE NOTES, UNICREDIT BANK AG (THE "STABILISING MANAGER") (OR PERSONS ACTING ON ITS BEHALF) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MIGHT 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 NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE ISSUE DATE AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) IN COMPLIANCE WITH ALL APPLICABLE LAWS, DIRECTIVES, REGULATIONS AND RULES OF ANY RELEVANT JURISDICTION.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET: PROFESSIONAL INVESTORS AND ECPS ONLY

Solely for the purposes of the manufacturers' product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MIFIR PRODUCT GOVERNANCE: PROFESSIONAL INVESTORS AND ECPS ONLY

Solely for the purposes of the manufacturers' product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), 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 Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UNITED KINGDOM RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**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 UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (THE "SFA")

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

BENCHMARK DISCLOSURE – STATEMENT ON REGISTRATION OF BENCHMARK ADMINISTRATOR

Following the First Reset Date, interest amounts payable under the Notes are calculated by reference to the Euro Interbank Offered Rate ("**EURIBOR**"), which is provided by the European Money Market Institute ("**EMMI**"). As at the date of this Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. The forward-looking statements are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding the Issuer's and W&W Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including W&W Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. W&W Group's business is also subject to a number of risks and

uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*1 Risk Factors*" and "*4 Description of W&W AG and W&W Group*". These sections include more detailed descriptions of factors that might have an impact on W&W Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor any of the Managers assumes any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

ALTERNATIVE PERFORMANCE MEASURES

This Prospectus contains certain alternative performance measures ("**APMs**") which are not recognized financial measures under the International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union ("**IFRS**"). Such APMs must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS included elsewhere in the Prospectus. Investors are cautioned not to place undue reliance on these APMs and are also advised to review them in conjunction with the financial statements of the Issuer and related notes. For further information, please see "*4.5 Alternative Performance Measures*".

NOTICE TO UK INVESTORS

This Prospectus has not been approved by an authorized person in the United Kingdom. This Prospectus is for distribution only to persons who: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order; (iii) are outside the United Kingdom; or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This Prospectus is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

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1 RISK FACTORS

Before deciding to purchase any Notes, investors should carefully review and consider the following risk factors and the other information contained in this Prospectus. Should one or more of the risks described below materialise, this may have a material adverse effect on the business, prospects, shareholders' equity, assets, financial position and results of operations (Vermögens-, Finanz- und Ertragslage) or general affairs of the Issuer and/or W&W Group. Moreover, if any of these risks occur, the market price of the Notes and the likelihood that the Issuer will be in a position to fulfil its payment obligations under the Notes may decrease, in which case the Holders could lose all or part of their investments in the Notes. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay distributions, principal or other amounts on or in connection with the Notes for other reasons than those described below. Additional risks of which the Issuer is not presently aware could also affect the business operations of W&W Group and have a material adverse effect on W&W Group's business activities and financial condition and results of operations. In addition, prospective investors should also read the detailed information set out in the other parts in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Words and expressions defined in the section "2 Terms and Conditions of The Notes" *below shall have the same meanings in this section. The risks described below are organised in categories. The sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences.*

Potential investors should, among other things, consider the following:

1.1 Risks relating to the Issuer and W&W Group

The risk factors relating to the Issuer and W&W Group are presented in the following sub-categories depending on their nature with the most material risk factor presented first in each sub-category:

1. market risks,
2. counterparty risks,
3. underwriting risks,
4. operational risks,
5. business risks,
6. liquidity risks,
7. risks relating to regulatory and other legal matters,
8. internal control risks, and
9. other risks.

1.1.1 Market Risks

Due to ongoing uncertainties concerning future trends in terms of size, volatility, and structure with respect to market risk factors, the Issuer may experience losses. Such market risk factors include interest rates, stock/equity prices, commodities prices, currency exchange rates, real estate prices and corporate assets, as well as risk premiums (credit spreads) for a given credit risk. Market price risk consists of the following types of risks:

1.1.1.1 Credit-Spread-Risks

Since the different entities of the W&W Group follow a rather conservative investment policy, they mainly invest in fixed-interest securities, which can entail credit spread risks, in particular. The high share of fixed-interest securities in the portfolio means that credit spread risk is the predominant market price risk within the

W&W Group. A widening of spreads could cause income to decline and adversely affect the financial position, net assets, results and risk position (the "**Financial Situation**").

1.1.1.2 Stock/equity price risks

The assets of the W&W Group which are held in the form of listed and not listed equities, equity funds and equity-like securities are subject to the risk of a change in price. Within the W&W Group, significant equity portfolios are held by Württembergische Versicherung AG, Württembergische Lebensversicherung AG and in particular W&W AG. For Wüstenrot Bausparkasse AG, the conditions were created in the 2020 financial year for investing in equities pursuant to the German Home Loan and Savings Bank Act (BausparkG). Accordingly, sudden and severe price slumps on stock markets could impair the risk-bearing capacity of the Group companies that invest in equities and require write-downs in the W&W Group's financial statements. If values change sharply and unexpectedly, this could cause a deterioration in financial performance, as well as in the Financial Situation.

1.1.1.3 Interest rate risks

Within the W&W Group, Wüstenrot Bausparkasse AG, Württembergische Lebensversicherung AG and the pension funds, in particular, are exposed to significant interest rate risks, mainly in the form of interest rate change risks and interest guarantee risks. Current interest rates pose a risk to earnings, as new investments and reinvestments can only be made at lower interest rates, while previously assured interest rates and interest obligations (interest guarantee risk) still need to be fulfilled for customers. This might also have an increasingly negative impact on valuation reserves of the Group. When interest rates drop, long-term obligations experience more severe changes in value than interest-bearing investments due to a mismatch of maturities on the assets side and the liabilities side. For the Group, this could result in an interest rate risk, which manifests itself in falling economic capital.

A rise in interest rates poses risks for the balance sheet and could lead to a decrease of income components since valuation reserves may evaporate, hidden liabilities may arise, and write-downs may become necessary. Consequently, a further decline or a rise in interest rates could lead to a deterioration in revenues and the Group's Financial Situation.

1.1.1.4 Long-term equity/participation risks

Within the W&W Group, significant long-term equity investments are held by W&W AG, Württembergische Lebensversicherung AG and Württembergische Versicherung AG. As part of strategic asset allocation, the focus is, *inter alia*, on alternative investments, including private equity participations and participations in private debt funds. Of particular importance is the long-term equity investment risk for W&W AG as a Group's individual entity. When investment risks materialise, measurement losses can lead to changes in value of investments being recognised as a loss (write-downs) or non-payment of dividends may occur, as well as the need to make contributions to earnings.

1.1.1.5 Real estate risks

Within the W&W Group, Württembergische Lebensversicherung AG, W&W AG, and Württembergische Versicherung AG hold property portfolios in the form of direct investments and via fund mandates as well as long-term equity investments. Due to such diversified property portfolios, negative trends on real estate markets can trigger value corrections, which could adversely affect financial performance and the Financial Situation.

1.1.1.6 Foreign currency risks

Foreign currency risks can result from open financial positions in foreign currencies (net FX positions) in globally aligned investment funds, as well as from foreign currency bonds and equity instruments held by the insurance entities within the W&W Group (i.e. mainly Württembergische Lebensversicherung AG and Württembergische Versicherung AG). In general, it is not possible to predict changes in exchange rates. Furthermore, such changes cannot be unfailingly hedged in full or at economically reasonable terms. But even to the extent that strategies to hedge or reduce currency risk are possible, it cannot be ruled out that such strategies fail to be successful. In such case, hedging strategies may result in financial losses. Foreign currency risks may thus adversely affect the financial position and results of operations of the W&W Group.

1.1.2 Underwriting Risks

Losses could potentially arise in connection with previously calculated premiums from the uncertainty concerning future trends in claims and costs from concluded insurance contracts. Thus, the insurance entities within the W&W Group are confronted with these specific risks particularly in the insurance and reinsurance business, including

premium and reserve risks, cancellation risks and catastrophe risks in property and casualty insurance, as well as biometric risks, cancellation risks, cost risks, revision risks and catastrophe risks in life and health insurance. Due to external events (e.g. natural disasters), risks associated with individual contracts may add up to accumulation risks. For example, W&W Group expects burdens from the intense severe weather events in some parts of Germany. One of the most significant risk scenarios at present is a strong earthquake in southern Germany, with a loss amount significantly above the liability range of the reinsurance cover. In the area of underwriting risks, additional burdens are expected from the current intense severe weather events. Natural hazards are expected to continue to play a significant role in W&W Group's risk profile in the future.

The W&W Group conducts primary insurance business in life and health insurance and in property and casualty insurance for retail and corporate customers in its business-strategic core market of Germany. In doing so, it also relies on digital sales channels (e.g. the digital brand Adam Riese). Industrial risks are currently underwritten only to a limited and clearly defined extent. W&W AG essentially acts as the reinsurer within the Group. With the exception of German market pools, W&W AG currently does not underwrite any reinsurance outside the Group. W&W AG retrocedes the reinsurance program of Württembergische Versicherung AG to the market and retains only 15 per cent. intra-Group quota share reinsurance in the retention. In addition, owing to the planned expansion of corporate customer business, Württembergische Versicherung AG has begun underwriting facultative indirect business and foreign insurance pools.

Through its insurance business, the W&W Group is exposed to risks from concluded insurance contracts. In particular, there is a risk that actual losses may trend unfavourably in comparison to premiums received. In addition, provisions may trend unfavourably due to fluctuations in the time and/or amount of claim settlement. The occurrence of one or more catastrophic or major-loss events (such as natural disasters, pandemics and major losses caused by people, including terrorism events) may also result in unusually high losses, which could have a material, adverse impact on the W&W Group. Furthermore, such events could adversely affect the Group's Financial Situation through their effects on both the local or global economy and on capital markets.

1.1.3 Counterparty Risks

W&W Group's business includes a substantial number of transactions that contain credit risks with respect to its contracting partners. The W&W Group is exposed to counterparty credit risks that arise from the default or changed rating of securities (counterparty credit risk associated with capital investments), from the default of business partners in customer lending business (counterparty credit risk associated with customer lending business) and from the default on receivables due from our counterparties in reinsurance (see "*1.1.3.3 Other counterparty risk*"). The realisation of such risks might result in an adverse change of the Group's Financial Situation.

1.1.3.1 Counterparty credit risks associated with investments

Those entities within the W&W Group, which make investments (i.e. particularly Württembergische Lebensversicherung AG, Württembergische Versicherung AG, W&W AG and Wüstenrot Bausparkasse AG) are subject to counterparty risks in this connection. The value of investments may decrease if the counterparty's credit rating deteriorates. Furthermore, if one or more of these parties default on their obligations *vis-à-vis* entities within the Group as a result of bankruptcies, lack of liquidity, lack of profitability, business interruptions or other reasons (e.g. rumours about potential defaults by one or more of these parties or with respect to their industry), this might result in losses or defaults by entities within the Group. Moreover, the credit risk of the aforementioned entities within the W&W Group may increase with respect to secured transactions if the collateral they hold cannot be realised or is realised at prices that are insufficient for obtaining the full amount of the loan or derivative commitment.

The W&W Group is heavily invested (a) in sectoral terms in government bonds and financial services companies, and (b) in regional terms in Europe, which is typical for the industry. Accordingly, in addition to the credit risk associated with the relevant counterparty, the W&W Group particularly bears the systemic risk of the financial sector and the specific counterparties belonging to it. Losses or declines in the market value or carrying amount of assets affected by counterparty credit risks may materially and adversely affect the W&W Group's financial performance, net assets, financial position and risk position.

1.1.3.2 Counterparty credit risk associated with customer lending business

The total or partial default on issued loans, difficulties in making payments towards them or deterioration in credit ratings/collateral in customer lending business may result in write-downs that might have a negative impact on profit or loss. The receivables portfolio mainly consists of loans, most of which are secured by land charges

(Grundpfandrechte) and intrinsically diversified. Therefore, collective and structural risks in particular jeopardise the loan portfolios of the W&W Group.

Defaults or declines in value within the loan portfolio may adversely affect the W&W Group. In addition, the credit risk may increase if the collateral provided for the loans cannot be realised or is realised at prices that are insufficient for obtaining the full amount of the loan.

1.1.3.3 Other counterparty risk

W&W AG may be exposed to bad-debt risks *vis-à-vis* other contracting partners, particularly in connection with reinsurance. The W&W Group uses reinsurance agreements to transfer certain risks in property, casualty, life and health insurance to others. As part of these agreements, other insurers assume a portion of the W&W Group's losses and expenses in connection with reported claims in exchange for a portion of the insurance premiums. This may result in potential losses as a consequence of the uncollectability of reinsurance claims or the default on benefits under existing reinsurance contracts.

If one or more of the above-mentioned credit risks materialise, this may have a material adverse effect on the results of operations, financial position, net assets and risk situation of the W&W Group. This includes the risk that the W&W Group may also recognize impairment losses in the future due to counterparty risk.

1.1.4 Operational Risks

As a result of the unsuitability or failure of internal processes, people and systems or externally driven events, potential losses may incur. Such risks are inherent in all of the Group's business processes, such that all entities within the W&W Group are in principle exposed to operational risks. The risk area includes the following types of risks:

1.1.4.1 Legal risks

The entities within the W&W Group are involved in legal proceedings. Such proceedings result from regular business operations, specifically from acting as an insurance, banking or asset management company, an employer, an investor or a taxpayer. Although it is not possible to predict or determine the definitive outcome of such proceedings with any degree of certainty, they may result in substantial damages, other payments or fines and penalties, as well as in negative publicity and damage to the reputation of the W&W Group. Consequently, such proceedings may adversely affect the Group's Financial Situation. For further information about the legal proceedings of the W&W Group, please see "*4.11 Legal and Arbitration Proceedings*".

Moreover, legal proceedings that are pending in the financial sector may lead to subsequent financial recovery claims. In particular, where authorities and courts reinterpret laws, this may entail material risks and significantly impair future financial performance. In terms of legal and supervisory requirements, a growing thicket of regulations can be observed in, *inter alia*, supervisory law, in terms of creditor and consumer rights and with respect to disclosure obligations. Such changes might in the specific consequences and implementations' implications result in financial burdens and therefore potentially have an adverse impact on the Group's business success.

1.1.4.2 Compliance risks

Inadequate compliance with or implementation of statutes, legal provisions, regulatory requirements or ethical/moral standards, as well as internal regulations and provisions, might potentially have adverse legal and economic consequences. Every failure to effectively prevent, identify or correct violations of legal obligations due to insufficient internal control systems may result in the W&W Group not fulfilling its compliance obligations. Transgressions in this regard could result, in particular, in fines and other penalties, the imposition of liability, the assertion of claims by third parties for compensation of damages, and reputational damage, which in each case could adversely affect the Financial Situation of the W&W Group.

If legal requirements are violated, this could also lead to stricter supervisory monitoring, interfere with the ability of the W&W Group to acquire and retain customers, interfere with access to capital markets or have other adverse effects on the W&W Group that are not foreseeable.

1.1.4.3 Process Risk

Due to the complete or partial failure or inappropriateness of internal procedures or processes or as a result of human error, tangible and intangible losses can occur. Therefore, process interruptions may have a substantially adverse impact on operations or control functions. Process errors may result in inadequate process quality, which

could manifest itself, for example, in cost increases for professional, technical and infrastructural projects with high investment budgets. We counter this problem with appropriate project management, but the risks cannot be completely ruled out due to the complex nature of such projects.

1.1.4.4 IT risks

Availability, confidentiality and/or integrity of data might be threatened as a result of processes, IT systems, physical information storage devices, technical equipment or buildings that are relevant to the storage and processing of data. As a financial services provider, the W&W Group greatly depends on IT systems. However, this is associated with information security risks with respect to the availability of applications, confidentiality and integrity of data, as well as with cyber threats. In addition, the W&W Group has undertaken numerous measures in connection with the further expansion of digitalisation (e.g. through new business models and sales channels, as well as internal process optimisation), and these may give rise to additional information security risks. Risks may arise for the W&W Group in this connection from, for example, a prolonged unavailability of IT systems, changes to critical IT infrastructures, or the unauthorised accessing of sensitive data. If these risks materialise, this may adversely affect business operations, compliance with requirements or reputation.

1.1.4.5 Service provider risks

The W&W Group has contractual relationships with third parties for the procurement of services. In this context, risks may arise in connection with the outsourcing of services, such as with respect to quality, control or know-how losses. Risks that adversely affect the Financial Situation of the W&W Group may arise to the extent that outsourced processes are interrupted or the service provider is no longer available, e.g. as a result of termination, insolvency, discontinuation of business or loss of the business licence. Compensating for this by having to contract with an adequate substitute service provider could impair financial performance. If it is not possible to find a substitute service provider in a timely manner, this could likewise result in a substantial impairment of business operations or relevant workflows. Furthermore, risks of reputational damage exist through potential misconduct by the service provider or through failure by the service provider to comply with the agreed level of quality.

1.1.4.6 Personnel risk

W&W Group's economical success is largely dependent on qualified and committed employees. There is a risk that operational and strategic targets may not be achieved because staffing is lacking in qualitative terms (e.g. insufficient employee qualifications) or quantitative terms (e.g. illness-related absences, increased fluctuation, shortage of qualified workforce). In addition, integration projects, internal reorganisation projects, regulatory reforms in the financial industry and new business strategies may result in increased staff workload. Budgeting for unplanned, cost-intensive external resources in order to compensate for employees not appropriately qualified and committed, would likewise adversely affect the Financial Situation of the W&W Group.

1.1.4.7 Model risks

In many different fields and cases, models are used for decision-making purposes. If model development, execution or use is defective, this may result in erroneous decisions with an adverse financial impact. In particular, there is a risk that models may fail to depict reality satisfactorily in their specification or in the setting of their parameters, that errors may arise in model implementation or operation, or that model application may be inadequate. For example, if it becomes necessary to correct model-based control measures, this could lead to counter-control measures that have an adverse impact on results, and if investment decisions are made on the basis of models with flawed parameters, this could lead to financial losses. Because of the described risks, it is not possible to rule out that erroneous control measures may adversely affect the Financial Situation of the W&W Group.

1.1.5 Business Risk

Losses may be incurred from the insufficient or delayed achievement of strategic targets that have been or will be set in the future by W&W. In addition, business risks may arise if the Issuer's reputation is damaged, as well as if the external business environment experiences changes, such as legal, political or social changes and changed customer behaviour in the home loan savings pool. Such risks are inevitable in general business operations and in the event of changes in the industry environment. All entities within the W&W Group are exposed to these business risks. W&W Group's success depends to a great degree on the attractiveness and feasibility of the business models of the Group-affiliated entities. Should this success not materialise to the expected level, W&W Group may incur losses.

In addition to cost risks in connection with required regulatory investments, material earnings risks consist of potential negative deviations from projected economic earnings. For example, failure to meet self-imposed targets

with respect to sales, planned growth or the generation of earnings in the new digital business models would have a negative effect. A further risk exists if the reputation of the W&W Group or brands integrated in the Group were to suffer damage, with the threat of losing business volumes. This could also lower the enterprise value. Similarly, losses may result from uncertainty about future behaviour of customers, particularly in the home loan and savings pool.

Business risk is measured in relation to the planning assumptions. A risk may arise for the W&W Group if the real development does not trend in line with the assumptions of planning. This could impair financial performance, the financial position and net assets, as well as have an adverse impact on risk-bearing capacity.

To control strategic risks, the W&W Group has implemented a rolling strategy process. There is a risk that the targets of the strategy process may be unable to be implemented, whether as a result of unforeseeable events or due to the fact that the implemented strategic risk control system was flawed or insufficient from the outset. This could adversely affect the Group's financial performance, financial position, net assets and risk position.

1.1.6 Liquidity Risk

It cannot be ruled out that, at some stage, liquid funds can be borrowed only at higher market interest rates at the time it is needed or that it can be obtained only with discounts in order to satisfy payment obligations at maturity. These risks may arise primarily if inflows of funds are not congruent with expected outflows in terms of expected timing. The most important sources of liquidity for operational business are primary insurance premiums, customer deposits, reinsurance receivables, investment income and proceeds from the maturity or sale of investments. Other liquidity sources of W&W AG and the Group-affiliated entities are the dividends received from subsidiaries and the funds provided by the capital markets. In this regard, dividends depend on the business success of the respective subsidiaries. Access to outside funding depends on a variety of factors, such as conditions on the capital markets, access to credit facilities, credit rating and credit capacity, and the possibility that customers or lenders develop a negative perception of the long- or short-term financial prospects of the W&W Group or negative measures of supervisory authorities or rating agencies.

The overall liquidity of the W&W Group particularly depends on capital market trends, interest rates (e.g. market yields, loan interest rates), customer behaviour (e.g. the number of redemptions and distributions, payment drawdowns) and the ability to realise the market value of the investment portfolio in order to satisfy insurance claims and benefits to policyholders. Other factors that have an impact on the liquidity of property and casualty insurance business are the timing, frequency and severity of the claims underlying the policies, as well as the renewal rates of the policies. In life insurance business, liquidity needs are influenced, *inter alia*, by trends in lump-sum disbursement probabilities, as well as by mortality rates compared with the assumptions underlying the life insurance provisions.

A market collapse, such as in the last global finance crisis in the year 2008, could have a substantial adverse impact on the liquidity position of the W&W Group (e.g. limited market liquidity, limited availability of refinancing sources and higher refinancing costs). Negative trends in the described factors may have a substantial impact and result in a deterioration of the Financial Situation of the W&W Group.

1.1.7 Risks relating to regulatory, legal and tax matters (Legal and Regulatory Risks)

In addition to W&W Group's risks relating to the operational business described above, the following risk factors relating to regulatory, legal and tax matters contribute to W&W Group's operative and financing risk, and may therefore adversely affect the ability of the Issuer to meet its obligations under the Notes:

1.1.7.1 Changes in existing, or new, laws and regulations, or enforcement initiatives in respect thereof, in the countries in which the W&W Group companies operate may materially impact the W&W Group and could adversely affect the W&W Group's business.

The Group's insurance and banking businesses as well as the financial steering activities of W&W AG are subject to detailed, comprehensive laws and regulations as well as supervision in all the countries in which the W&W Group companies do business.

Regulatory authorities have broad administrative power over many aspects of the financial services business, which include liquidity, capital adequacy and permitted investments, governance, conduct rules, money laundering, "know your customer" rules, prohibited transactions with countries and individuals that are subject to sanctions or otherwise blacklisted, privacy and data protection, record keeping, and marketing and distribution practices. Failure to comply with any laws and regulations could lead to disciplinary action, the imposition of fines and/or revocation of a license, permission or authorization necessary for the conduct of our business or civil or

criminal liability, all or any of which could have a materially adverse effect on our business, revenues, results and financial condition.

In addition, insurance, banking and other financial services laws, regulations and policies currently governing W&W AG and its subsidiaries may change at any time in ways which have an adverse effect on the W&W Group's business.

Changes in existing laws and regulations, or in their interpretation by the authorities, may affect W&W Group's tax burden, its capital requirements, the way in which the W&W Group companies conduct their business and the products they may offer. Governments, regulatory authorities and others have made and continue to make proposals to reform the regulatory framework for the financial services industry to enhance its resilience against future crises and to enhance consumer protection. Proposals include, among others, requests for more stringent regulatory capital and liquidity standards, regulation of specific types of business perceived as inherently risky and expansion of the resolution powers of regulators. It is possible that the future regulatory framework for the financial industry may change. This could result from the current European Insurance and Occupational Pensions Authority ("**EIOPA**") review under Directive 2009/138/EC of the European Parliament and the Council on the taking-up and pursuit of the business of Insurance and Reinsurance ("**Solvency II**"), as amended from time to time; to the extent that provisions of the Solvency II Directive are amended or replaced, such amended provisions or successor provisions may impact W&W Group's capitalization. Effects of the regulatory changes on the W&W Group may range from additional administrative cost to implement and comply with new rules to increased cost of capital and a materially adverse effect on the W&W Group's business, results of operation and prospects. Finally, the potential for a multiplicity of different regulatory regimes, capital standards and reporting requirements will increase operational complexity and costs.

Regulators are increasingly focused on promoting the protection of customer/client information and the integrity of information technology systems of regulated firms, utilizing data protection regulations such as the EU General Data Protection Regulation (Regulation (EU) 2016/679, the "**EU GDPR**") and the cyber laws of individual states of the United States that have been adopted based in part on the Insurance Data Security Model Law developed by the National Association of Insurance Commissioners ("**NAIC**"). These initiatives increase the risk of potential liability and could lead to more conservative approaches to the sharing of data, which in turn could impact assessments of risks. Increased regulatory activity may also include greater scrutiny of personal data processing within the insurance sector, which may give rise to regulatory intervention and reputational harm. Failure to comply with applicable regulations may expose us to significant regulatory fines (for example, the maximum fine for non-compliance with certain EU GDPR requirements would be up to EUR 20 million or 4 per cent. of our global turnover (whichever is greater)), damages claims and reputational damage.

Governments in jurisdictions in which the W&W Group does business may consider changes to tax laws which may adversely affect the attractiveness of certain of the W&W Group's products; if enacted, such changes could result in a significant reduction in the sale of such products.

1.1.7.2 The W&W Group's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to the W&W Group, other well-known companies and the financial services industry generally.

Adverse publicity and damage to the W&W Group's reputation might arise from financial reporting irregularities or compliance irregularities, data protection irregularities, involving the W&W Group or other large and well-known companies, increasing regulatory and law enforcement scrutiny of "know your customer", anti-money laundering, anti-corruption and anti-terrorist-financing procedures and their effectiveness, and regulatory investigations of the asset management, banking and insurance industries. Any of the above could also lead to increased regulatory supervision, affect the W&W Group's ability to attract and retain customers, impair access to the capital markets or have other adverse effects on the W&W Group in ways that are not predictable.

The W&W Group companies are involved in legal, regulatory, and arbitration proceedings in Germany and a number of foreign jurisdictions. Such proceedings arise in the ordinary course of our business, including, among others, our activities as an insurance, banking and asset management company, employer, investor and taxpayer. While it is not feasible to predict or determine the ultimate outcome of such proceedings, they may result in substantial damages or other payments or penalties or result in adverse publicity and damage to the W&W Group's reputation. As a result, such proceedings could have an adverse effect on the W&W Group's business, financial condition and results of operations.

For more information on the W&W Group's legal proceedings, see "*4.11 Legal and Arbitration Proceedings*".

1.1.7.3 Regulatory actions in case of a breach of regulatory capital requirements.

In the event of a failure by W&W AG or the W&W Group or any Group company to meet regulatory capital requirements, regulators have broad authority to take various regulatory actions including limiting or prohibiting the writing of new business, prohibiting payment of dividends or coupon payments and suspend repayments of debt. A breach of regulatory capital requirements or a reduction of solvency ratios by subsidiaries may result in W&W AG injecting new capital into its subsidiaries which could in turn adversely affect W&W AG's capital and financial position. Regulatory restrictions can reduce W&W AG's ability to move capital within the W&W Group which in turn can adversely affect the liquidity and financial position of W&W AG and the W&W Group. Under the Solvency II regime, the powers of intervention of supervisory authorities are extensive and, in particular, allow for a restriction on all payments (in particular, payments under the Notes) at an earlier stage of a potential crisis.

1.1.7.4 Changes in tax law and case law

Tax risks affecting the tax items in W&W AG's and W&W Group's statement of financial position and income statement can arise from changes to tax law and case law, and from different interpretations of existing tax law. Thus, there is the risk of tax refunds/additional tax claims in connection with tax audits that are still to be carried out, which might be accounted for as tax provisions on the basis of probability considerations.

1.1.7.5 Investors should be aware that tax regulations and their application by the relevant taxation authorities are subject to change, possibly with retrospective effect, and that this could negatively affect the value of the Notes by giving the Issuer the right to redeem the Notes due to a tax event.

The Issuer believes that the interest expense related to the Notes should be tax deductible. However, it is not possible to predict the precise tax treatment which will apply at any given time from and including the issue date of the Notes due to changes in tax law and relevant jurisprudence. In particular, following the implementation of Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market as amended by Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries (the so-called "Anti-Tax Avoidance Directive" or "ATAD") into German income tax law, interest payments made in relation to certain hybrid arrangements are not tax deductible as business expenses of the payor if the corresponding results of the payee are non-taxable or only taxable to a limited extent in another country. Apart from financing transactions between associated enterprises, this only applies to hybrid arrangements that qualify as "structured arrangements" (strukturierte Gestaltungen). While the law defines "structured arrangements" in more detail to a certain extent, the definition of "structured arrangements" in the law is nevertheless open to interpretation. In addition, the future application of the new non-deductibility rules by the competent tax office cannot be predicted. While the Issuer believes that the provisions of ATAD and the new non-deductibility rules implemented into German income tax law are not aimed at applying to own funds instruments of regulated institutions that are primarily or exclusively placed with investors that are not affiliated to the Issuer or the group to which the Issuer belongs such as the Notes, it cannot be ruled out entirely that the Notes could qualify as such "structured arrangements" to which the new non-deductibility rules would apply.

1.1.8 Internal control risk

The W&W Group has an internal risk and control system for verifying and monitoring its operating activities and business processes, in particular financial reporting, as well as compliance with regulatory requirements. There can be no assurance that this internal risk and control system fully protects the W&W Group against material misstatements in its public reporting and other disclosure (including, but not limited to, as a result of operational risks), that it is adequate to prevent, discover and remediate breaches of laws or that it will be adequate for an enterprise of the Group's scale and complexity. Any failure to effectively prevent, identify or address violations of our legal obligations as a result of inadequate internal controls, procedures, compliance systems, IT- and information security systems and risk management systems could result in penalties and other sanctions, liabilities, the assertion of damages claims by third parties, and reputational damage, each of which could materially and adversely affect our financial condition and results of operations.

In this regard, the W&W Group is exposed to operational risks that result, for example, from inadequate or failed internal processes, human error, violations such as management override of controls, system outages and external events, for which reason we cannot guarantee complete certainty, since the effectiveness of risk management is subject to limits emanating from different sources:

1.1.8.1 Forecast risks

To a significant extent, risk management is based on forecasts of future developments. Though the forecasts used regularly take the latest insights into consideration, there is no guarantee that such future developments – especially extreme events – will always occur as forecast by risk management. Should actual events deviate materially from those assumptions and estimations, the potential estimated losses could be substantially higher than those taken into account in the planning of the W&W Group. The Financial Situation of the W&W Group could become materially impaired.

1.1.8.2 Model risks

Suitable models are used for risk measurement and governance purposes. These models use assumptions in order to reduce the complexity of reality. They map only the circumstances considered to be material. Thus, there is a risk of selecting unsuitable assumptions and a mapping risk if relevant circumstances are reflected insufficiently in the models. Furthermore, model risks can arise from faulty model input and improper model use.

1.1.8.3 Human risk factors

As intrinsic human judgement in corporate decision-making processes may be faulty despite the implemented control measures (internal control system, principle of dual control), the unpredictability of human action represents a risk. Likewise, there is a risk in connection with the uncertainty of the correctness of decisions made, for example, as a result of failure to comply with a professional obligation or due to the design of a product. Other examples include mis-selling and other illegal or unethical sales practices, failure to comply with internal or external requirements with respect to products, employee fraud and other misconduct such as management override of controls, monopolistic conduct, data protection, sanctions or, for example, embargoes (human behaviour risk). In addition, errors in transaction or process management could result in potential losses, such as default interest and penalty charges.

1.1.9 Other Risks

1.1.9.1 Risks related to the SARS-CoV-2 Pandemic

Pandemics, epidemics, outbreaks of infectious diseases or other serious public health problems (such as the coronavirus pandemic ("**Covid-19 pandemic**")), whether on a regional or global basis, and resulting travel restrictions, the imposition of quarantines and prolonged closures of workplaces and other businesses, may have a material adverse effect on the global economy generally and may even result in a deep and prolonged global recession. Significant adverse effects on the global economy may result in significant disruption of capital markets in the form of reduced liquidity and increased volatility. A pandemic may also lead to increased operational risks in the form of IT or cyber risks (e.g., increased remote use of resources such as split operations or home offices, or criminal activities by exploiting public fears). The impact of such outbreaks depends on a number of factors, such as the duration and spread of the particular outbreak and the effectiveness of the measures imposed to contain it. The economic and political consequences, if any, could be severe and could therefore have a material adverse effect on the Issuer's financial condition.

Risks stem not only from the immediate effect of such crises but also from any measures aimed at limiting their impact, including, but not limited to, restrictions on travel, imposition of quarantines, prolonged closures of workplaces, curfews or other social distancing measures, including the social impact of such measures. Such measures may be required by public health laws, imposed by public authorities on international, national or local level, required under best practices in the industries or implemented under W&W's own environmental, health and safety standards. Due to the current overall economic conditions, the economic forecasts are subject to an exceptionally high degree of uncertainty. In addition, despite the accelerated development and approval of new vaccines as well as the ongoing vaccination campaigns in many countries, there is still an uncertainty associated with the appearance of new virus mutations and effectiveness of existing vaccines, the sufficient supply of appropriate vaccines, their production, distribution and correct administration as well as the willingness of the majority of the population to get vaccinated. The Covid-19 pandemic has already resulted in lockdowns and various levels of restrictions of movement being imposed globally.

The extent to which W&W's business operations are affected by public health crises depends on a number of factors. Those factors include, but are not limited to, the spread of diseases and the duration of outbreaks, timing, adequacy and effectiveness of countermeasures, including vaccination programs, imposed by public health laws or public authorities at international, national or local level and the level of civil compliance with such measures. There can be no guarantee that such countermeasures, or a combination thereof, are effective means to combat such an outbreak and the implications resulting therefrom. A continuing public health crisis due to the inefficiency

of relevant measures as well as the effects of the countermeasures themselves may have material adverse effects on W&W's business, financial position and results of operations.

In general, it is difficult to estimate the duration and extent of the further course of the Covid-19 pandemic. Accordingly, depending on the future development, a decline in results and pressure on the Financial Situation cannot be ruled out, particularly if the Covid-19 pandemic persists for an extended period.

Specifically, the ongoing Covid-19 pandemic may have an exacerbating effect on some of the risks relating to the Issuer and the W&W Group generally described above under "*1.1 Risks relating to the Issuer and W&W Group*", in particular on the following risks:

1.1.9.1.1 Market Risks

The ongoing Covid-19 pandemic continues to have an impact on all market risks of the W&W Group as it has the potential to cause significant price movements on the financial market especially for equities and credit spreads.

Because of this, current interest rates are being shaped by continued expansive monetary policies and the risk aversion of investors. Credit spreads reflect the current uncertainties concerning imminent counterparty credit risks created by the economic downturn (defaults, downgrades). In the area of equity investments, the losses suffered at the start of the Covid-19 pandemic were able to be recouped in part. Nevertheless, a risk of further price corrections remains. With regard to participations in alternative investments, the measurement declines caused by the Covid-19 pandemic were able to be largely offset. Nevertheless, it is not possible to rule out delayed effects in the form of measurement declines or smaller distributions. In the property area, there was a significant rise in rent arrears, particularly with key commercial lessees in the retail, hotel and office sectors. However, the vast majority of rent payments were made on time. It cannot be ruled out that rent losses will increase if the Covid-19 pandemic does not abate. Furthermore, there is the risk of government intervention (e.g. further lockdowns), which could have a negative impact on the above-mentioned asset classes. This may result in sudden unforeseen consequences, whereby a total loss of the investment cannot be ruled out.

Despite the fact that the capital markets have recovered somewhat from the extreme conditions that prevailed during the Covid-19 pandemic, it can be expected that the W&W Group will continue to be exposed to increased market price risks, which could result in a deterioration of financial performance, the financial position, net assets and the risk position.

1.1.9.1.2 Underwriting Risks

At the time when authorities ordered the closure of businesses due to the Covid-19 pandemic, Württembergische Versicherung AG had business closure insurance policies in its portfolio. Since the coronavirus pathogen was not defined in the insurance policies, the Issuer believes that they do not cover a closure of entire types of businesses that is ordered by the authorities in order to disrupt chains of infection. Württembergische Versicherung AG has joined in the industry-wide *ex gratia* arrangement and is examining any *ex gratia* claims on a case-by-case basis. Provisions were created for this. However, there is nevertheless a risk that the Issuer's assessment that the plant closure policies do not apply in the event of government-imposed lockdowns may prove to be incorrect. Furthermore, any insurance sums to be paid may significantly exceed the provisions recognized.

Legal actions involving Württembergische Versicherung AG are pending regarding the question of coverage under business closure insurance policies. Their outcome may also have an impact on the ultimate claim and benefit volume. Because of the Covid-19 pandemic and the associated uncertainties about the further developments, we continue to expect that the W&W Group will be exposed to increased risks in some cases in the area of underwriting. As to the legal and arbitration proceedings associated with the coverage of business interruption policies, please see "*4.11 Legal and Arbitration Proceedings*".

1.1.9.1.3 Counterparty Risks

Deteriorated creditworthiness has been observed since 2020 due to the impact that the Covid-19 pandemic had in the area of interest-bearing investments in some sectors. To date, there have been no significant payment defaults. In the customer lending business, customers of the W&W Group made use in some cases of the statutory moratorium in the 2020 financial year in order to defer principal and interest payments. Around 92 per cent. of the customers resumed making the agreed payments when the statutory moratorium expired.

Even though, due to the higher uncertainty and increased probability of payment defaults, the risk provision was already increased in 2020 and was adjusted to reflect current circumstances as of June 30, 2021, there is a risk that the provision turns out to be insufficient or that losses may be greater than expected.

Because of the Covid-19 pandemic and the associated uncertainties about further developments, we continue to expect that the W&W Group will be exposed to increased risks in the area of counterparty credit risk.

1.1.9.1.4 Operational Risks

In the event of a new infection wave of the Covid-19 pandemic in Germany, it cannot be ruled out that operational risks to business processes will arise as a result of employee absences. Due to the Covid-19 pandemic and the associated uncertainties about further developments, we continue to expect that the W&W Group will be exposed to still increased risks in the area of operational risk. As to the legal and arbitration risks in this regard, please see "*4.11 Legal and Arbitration Proceedings*".

1.1.9.1.5 Business Risks

Since the Covid-19 pandemic appears to be ongoing, there is still a significant level of uncertainty with respect to the forecast of further trends on the capital markets. Negative economic consequences of the Covid-19 pandemic could lead in particular to a deterioration in credit quality and loan defaults in the future. Similarly, it cannot be ruled out that the Covid-19 pandemic may have further effects on existing and new business and on expenses for insurance claims. Countermeasures by governments and central banks may in some cases afford relief.

Accordingly, depending on how the Covid-19 pandemic develops in future, it may also trigger a decline in results and put pressure on the Financial Situation, particularly if the Covid-19 pandemic persists for an extended period.

1.1.9.1.6 Liquidity Risks

In case of a reemergence regarding the Covid-19 pandemic, a renewed increase in market liquidity risk might occur. This could lead to a situation where assets can only be liquidated on the market at (higher) discounts.

1.1.9.2 Risk concentration

Potential losses in terms of risk concentration may result either from intra-risk concentrations or from inter-risk concentrations. In this regard, intra-risk concentrations mean those risk concentrations that arise from the synchronisation of risk positions within a risk area or at the Group level through the accumulation of similar risks at several entities affiliated with the Group. Losses may be incurred, in particular, if market risk factors (such as changes in interest rates, spreads or stock prices) simultaneously have an impact on the portfolios of the individual Group-affiliated companies. Risk concentrations could also arise from the synchronisation of risk positions across various risk areas at the level of the Issuer and the Group. Such concentration may cause losses, particularly if risk factors simultaneously materialise in various risk areas.

Because of the business model of the entities within the W&W Group, potential risk concentrations may result particularly from investments and from the economic and regional structure of customer business (customer lending business, insurance business). Other concentrations exist through positions that we intentionally take in individual asset classes (equities, participations, bonds) through strategic asset allocation.

As a financial conglomerate, the W&W Group is influenced to an extensive degree by a variety of external factors (e.g. current interest rates, changed customer behaviour, digitalisation, regulatory pressure, industry reputation). This risk concentration intentionally forms a part of the business strategy. The same is true for the dependence of W&W AG on the business success of its subsidiaries. Operational risk concentrations may further arise in connection with outsourcing (a single comprehensive mandate or several equivalent mandates) and through an accumulation of projects, particularly large projects.

Accordingly, it cannot be ruled out that the materialisation of risk concentrations may lead to a substantial loss of income and a considerable deterioration of the Financial Situation.

1.1.9.3 Emerging Risks

Specific conditions, developments or trends may in the future have a significant adverse impact on the financial strength, risk profile or competitive position of the W&W Group or one of its entities. Emerging risks typically arise because of changing basic conditions, such as those of an economic, geopolitical, social, technological or environmental nature. The uncertainty with respect to the loss potential and the probability of occurrence is usually

very high. Main challenges for the Group are posed by technological trends (digitalisation, cybertechnologies), social trends (demographics, changed customer behaviour, pandemic related trends) and economic trends (current interest rates, systemic risks). W&W Group may be adversely affected if it is unable to adequately anticipate or to adapt to the impact of such developments.

It should also be noted that W&W Group utilizes assumptions, estimates and models to evaluate the potential impact of risks on its business, results of operations and financial condition. If actual events differ materially from those assumptions, estimates or models, the potential estimated losses could be materially higher than those reflected in W&W Group's capital plans, and its business, financial condition, and results of operations could be materially adversely affected.

1.1.9.4 The IFRS for future accounting of insurance and reinsurance contracts could lead to substantially higher volatility for W&W's financial results, and equity and could cause additional costs.

The IFRS standard (IFRS 4) applicable for the accounting of insurance contracts as of the date of this Prospectus is a transitional provision which remains in place until the finalised standard regarding the accounting of insurance contracts (IFRS 17) has to be applied. IFRS 4 currently permits the retention of previously applied accounting rules. The W&W Group has made use of this option and currently accounts for technical insurance line items in the consolidated financial statements in accordance with IFRS 4 as at time of initial application of IFRS on January 1, 2005 – provided IFRS 4 contains no special provisions to the contrary.

On May 18, 2017, the International Accounting Standards Board ("**IASB**") published the IFRS 17 "Insurance Contracts" which will supersede the IFRS 4. In addition, the IASB published in June 2020 certain amendments to IFRS 17 which include clarifications for some specific topics as well as a deferral of the effective date of IFRS 17 by two years so that the first time application is required for financial years beginning on or after January 1, 2023. Both the IFRS 17 standard and the amendments to IFRS 17 are subject to being endorsed in EU law. IFRS 17 establishes uniform requirements for the recognition, measurement, presentation and disclosures relating to insurance contracts, reinsurance contracts and investment contracts with a discretionary participation features within the scope of the standard for the first time. According to the measurement model of the new standard, groups of insurance contracts are measured on the basis of the present value of fulfillment cash flows with an explicit risk adjustment for non-financial risks and a contractual service margin, which leads to a profit recognition corresponding to the provision of services. The changes arising from the liability for remaining coverage are recognized as "insurance revenue". Insurance finance income and expenses result from discounting effects and financial risks. They may be recognized for each portfolio either in the statement of income through profit or loss or in the other comprehensive income. Changes in the assumptions for future services that do not relate to time value of money or financial risks are booked against the contractual service margin and are distributed over the term of the insurance contracts services that are still due to be provided. If the contractual service margin becomes negative, a corresponding amount must be recognized through profit or loss. IFRS 17 provides a simplified model for short-term contracts, which presents the liability for remaining coverage over as was done previously via unearned premiums. Liabilities arising from incurred but not yet reported insurance claims must be discounted under IFRS 17 at the relevant current interest rates. For large parts of the life insurance business with participation features, the standard modifies the general measurement model, in that even changes to the shareholders' portion of the performance of the earnings sources underlying the surplus participation are recognized in the contractual service margin and are distributed over the remaining term of the insurance contracts services.

Changes in the measurement, such as the discount rate, could cause changes in valuation, which on the one hand would be reflected directly in the Group's statement of other comprehensive income and on the other hand would - regarding other changes - (e.g. risk adjustment for cash flow uncertainties) be reflected directly in the Group's statement of profit and loss, which could cause the Group's revenues and equity capital to be substantially more volatile. This increase in volatility could lead to various disadvantages for the W&W Group, above all to an increase in the cost of capital and a corresponding decrease in the share price. It might also be necessary to account for the capital investments used to cover the technical insurance reserves at the fair value pursuant to IFRS 9 in order to avoid an "accounting mismatch". Adjustments in the structure of the insurance and reinsurance products offered by the W&W Group and the structuring of the premiums could also be necessary. Changes in the valuation of insurance contracts could also impose substantial new demands on the internal data processing and accounting systems and could lead to significant additional strain on various group functions within the W&W Group. A change in the accounting rules could also prove challenging to the management of the Issuer, because key performance indicators in Group reporting prior to the change would no longer be completely comparable with the corresponding key performance indicators after the change is implemented. As these new regulations affect the core business activities of the Group, it is inevitable to expect material impacts on the consolidated financial statements. Due to the particular significance of the new accounting regulations, the Group

has set up a multi-year project to examine the impact of the standard on the consolidated financial statements, including the interaction with IFRS 9, and to take the necessary steps towards implementation. Following the completion of the technical accounting principles, the extensive requirements are now being implemented into the Group's processes and systems. Additional development and testing activities, including an analysis of the impact the standard has on Group financial data, are planned for 2021.

1.1.9.5 Sustainability risks

Internal and external risk drivers or triggering events in the areas of the climate, the environment, social affairs, politics, corporate governance and compliance ("**ESG**") might occur which, in the individual risk areas, may have an adverse impact on the net assets, financial position or financial performance of the W&W Group. Accordingly, sustainability risks are to be addressed in the organisation and actions of the W&W Group and its affiliates in such a way as to avoid manifestations that pose a threat to their existence. Sustainability risks are to be treated in a forward-looking manner. In this regard, the risk strategy of the W&W Group also specifies the framework with which sustainability risks are integrated into risk management.

Of special importance in this respect are reputational risks, sustainability risks in investments and physical risks in the area of underwriting risks. In order to limit, in particular, reputational risks arising from sustainability aspects, the sustainability mission statement of the W&W Group specifies the principles for sustainable and responsible actions. Sustainability risks in the area of investments are limited by defining corresponding exclusion criteria. Physical risks in the area of underwriting risks are limited, *inter alia*, through underwriting policies and reinsurance agreements.

The W&W Group may potentially not always be capable of meeting all requirements of the ESG standards and the expectations of shareholders and the general public. In addition, there is a risk of not being able to meet self-imposed targets and requirements with respect to ESG. In particular, facts and circumstances previously communicated to the general public could, in the event of non-compliance, adversely affect the reputation of the W&W Group and make it impermissible for certain investors to invest in its debt securities. At the same time, compliance with certain ESG standards may pose challenges for the Group's business and result in additional business costs. In addition, costs associated with meeting the ESG standards and expectations, as well as the physical effects of climate change and the legal risks for those considered responsible for climate change, may adversely affect the financial performance of business partners of the W&W Group (e.g. customers, service providers, counterparties and issuers, among others). As an example, this could increase the exposure of the W&W Group to counterparty default risks and operational risks.

1.1.9.6 Risks related to rating downgrade of W&W Group

The business of W&W Group is to a certain degree dependent on the credit ratings assigned to the Issuer and certain of its subsidiaries by rating agencies. A downgrade in the ratings assigned to the Issuer and/or its rated subsidiaries may adversely affect relationships with customers, negatively impact sales of the Group's insurance and finance products and increase the Group's cost of borrowing (rating risk).

Rating agency S&P Global Ratings Europe Limited in Dublin ("**S&P**") has assigned ratings regarding the financial strength of the W&W Group. S&P can be expected to continue to monitor the financial strength of W&W, and no assurance can be given that rating downgrades will not occur, whether due to

- changes in performance of core subsidiaries,
- changes in S&P's industry views or ratings methodology, or
- a combination of such, or other factors.

Claims paying ability and financial strength rating are a major factor in establishing the competitive position of insurers. A rating downgrade, or the potential for such downgrade, could, therefore, materially adversely affect W&W Group's ability to compete in its markets, such as the corporate pension schemes business, and thereby negatively impact sales of its insurance products. Any rating downgrade could also materially adversely affect W&W Group's cost of raising capital, and could, in addition, give rise to additional financial obligations or accelerate existing financial obligations which are dependent on maintaining specified rating levels. This could have a material adverse effect on the financial position or results of operations of the W&W Group.

1.2 Risks relating to the Notes

1.2.1 Risks associated with the characteristics of the Notes

An investment in the Notes involves certain risks associated with the characteristics of the Notes. Such risks could result in principal or interest amounts not being paid on time or at all by the Issuer. The Notes are long-term notes and subordinated. There are no events of default and investors have virtually no ability to influence the outcome of any insolvency proceedings.

In particular, the risks resulting from the Notes include risks resulting from the Notes being structured to meet the criteria to qualify as regulatory capital (basic own funds) of the Issuer, risks related to deferral of interest payments and restrictions on payments of Arrears of Interest and risks that Holders may have to return amounts received otherwise than pursuant to the Terms and Conditions.

The following is a description of risk factors in relation to the Notes.

1.2.1.1 The Notes are intended to qualify as Tier 2 Instruments and as such are complex instruments, which may not be a suitable investment for all investors.

The Notes are intended to qualify as Tier 2 Instruments eligible to cover the regulatory capital requirements applicable to W&W AG and the W&W Group. This expectation is based on the Issuer's review of available information in European Directive 2009/138/EC (Solvency II Directive), the German Insurance Supervision Act (*Versicherungsaufsichtsgesetz*), the level two implementation measures set out in Commission Delegated Regulation (EU) 2015/35 and related provisions and regulations, resolutions or other decisions and guidance of the competent supervisory authorities affecting the Issuer. As such, the Notes are complex instruments, in particular with regard to their subordination, and the possibility of cancellations of interest payments. Potential investors in the Notes must determine the suitability (either alone or with the help of a financial adviser) of that investment in light of their own circumstances and the complexity of the Notes. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement hereto;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or distribution payments is different from the potential investor's currency;
- understand thoroughly the Terms and Conditions of the Notes and be familiar with the behaviour of financial markets;
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic factors, the rate of distributions and other factors that may affect its investment and its ability to bear the applicable risks; and
- also consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of the Notes.

Prior to making an investment decision, each potential investor should consider carefully, in light of its own financial circumstances and investment objectives, all the information contained in this Prospectus or incorporated by reference herein, and should have sufficient financial resources and liquidity to bear the risks of an investment in the Notes, including the possibility that the entire principal amount of the Notes could be lost. A potential investor should not invest in the Notes unless he/she has the knowledge and expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the likelihood of payments of principal and interest, and the impact of this investment on the potential investor's overall investment portfolio.

1.2.1.2 The obligations under the Notes constitute unsecured obligations of the Issuer ranking pari passu among themselves and subordinated to the Issuer's Senior Ranking Debt. There is a significant risk that Holders of Notes will lose all or some of their investment should the Issuer become insolvent.

The obligations under the Notes constitute unsecured obligations of the Issuer ranking *pari passu* among themselves. The obligations of the Issuer under the Notes rank subordinated to the Issuer's Senior Ranking Debt (as defined below). In the event of the liquidation, dissolution, or insolvency of the Issuer, or composition or any other proceedings for the avoidance of insolvency against, the Issuer, the claims of the Holders under the Notes will be satisfied after (but only after) the claims of all holders of the Issuer's Senior Ranking Debt. In any such event, Holders will not receive any amounts payable in respect of the Notes until the claims of all Issuer's Senior Ranking Debt have first been satisfied in full. No security of whatever kind securing the obligations of the Issuer under the Notes is, or shall at any time be, provided by the Issuer or any other person to the Holders. No Holder may set off any claims arising under the Notes against any claims that the Issuer may have against it. The Issuer may not set off any claims it may have against any Holder against any of its obligations under the Notes. "**Issuer's Senior Ranking Debt**" means all of the Issuer's (a) unsubordinated obligations, (b) obligations subordinated by operation of law pursuant to § 39(1) of the German Insolvency Code (*Insolvenzordnung* – InsO), as amended from time to time (the "**InsO**"); (c) subordinated obligations ranking at least *pari passu* with the Issuer's obligations subordinated by operation of law pursuant to § 39(1) InsO; and (d) subordinated obligations which rank senior to the obligations of the Issuer under the Notes pursuant to mandatory statutory provisions.

The Holders should be aware that, in the circumstances described above, (i) the Issuer will make payments in respect of the Notes only in accordance with the subordination described above, and (ii) the rights of the Holders under the Notes will be subject to the provisions of the insolvency laws applicable to the Issuer from time to time. In a liquidation, dissolution, insolvency, composition or other proceeding for the avoidance of insolvency of, or against, the Issuer, it is very likely that the Holders may recover nothing at all or a substantially lower proportion of their claims than the holders of unsubordinated obligations of the Issuer. In addition, Holders will have limited ability to influence the outcome of any insolvency proceedings or a restructuring outside insolvency. In particular, in insolvency proceedings over the assets of the Issuer, holders of subordinated debt, such as the Notes, will not have any right to vote in the assembly of creditors (*Gläubigerversammlung*) pursuant to the German Insolvency Code.

Furthermore, the Terms and Conditions provide for a pre-insolvency payment prohibition. This means that already prior to the commencement of any insolvency or liquidation proceedings over the assets of the Issuer the Holders will only have a due (*fällig*) claim for the relevant scheduled payment of interest, payment of Arrears of Interest or for redemption if no reason for the opening of insolvency proceedings in respect of the Issuer in accordance with the Applicable Insolvency Regulations exists and if the payment of the relevant amount would not cause the insolvency of the Issuer or accelerate the process of the Issuer becoming insolvent. These payment conditions constitute a prohibition to pay which means that any payment on the Notes may only be made by the Issuer if it is made in accordance with the aforementioned conditions. Any payment made in breach of this prohibition must be repaid to the Issuer irrespective of any agreement to the contrary.

1.2.1.3 The Notes bear interest at a fixed rate from and including the Issue Date to but excluding the First Reset Date.

During the time from and including the Issue Date to but excluding the First Reset Date, Holders are exposed to the risk that the price of such Notes may fall because of changes in the market yield. While the nominal interest rate (i.e. the coupon) of the Notes is fixed until, but excluding, the First Reset Date, the market yield typically changes on a daily basis. As the market yield changes, the price of the Notes typically changes in the opposite direction. If the market yield increases, the price of the Notes typically falls. If the market yield falls, the price of the Notes typically increases. Holders should be aware that movements of the market yield can adversely affect the price of the Notes and can lead to losses for the Holders.

Holders should also be aware that the market yield has two components, namely the risk-free rate and the credit spread. The credit spread is reflective of the yield that investors require in addition to the yield on a risk-free investment of approximately equal tenor as a compensation for the risks inherent in the Notes. The credit spread changes over time and can decrease as well as increase for a large number of different reasons. The market yield of the Notes can change due to changes of the credit spread, the risk-free rate, or both.

1.2.1.4 If the Notes are not called on the First Reset Date, the Notes will bear interest at a floating rate from the First Reset Date (including) until the Final Maturity Date (excluding).

The floating rate applicable to the Notes from (and including) the First Reset Date is based on two components, namely the Euro-zone inter-bank offered rate for three-month Euro deposits ("**EURIBOR**") (or any successor rate in case of a Benchmark Event) and the Margin. The floating rate interest is payable quarterly and the applicable rate will be determined immediately prior to any Floating Interest Period based on the then prevailing 3-months EURIBOR rate plus the Margin. The Margin was fixed prior to the issue date of the Notes and will apply to any Floating Interest Period.

Holders should be aware that the floating rate interest income is subject to changes to the 3-months EURIBOR and therefore cannot be anticipated. Hence, Holders are not able to determine a definite yield to maturity of the Notes following the First Reset Date at the time they purchase them, so that their return on investment cannot be compared with that of investments in fixed rate instruments (i.e. instruments with a coupon that is fixed until maturity).

Because the Margin is fixed prior to the issue of the Notes, Holders are moreover subject to the risk that the Margin does not reflect the market spread that investors require in addition to the 3-months EURIBOR as a compensation for the risks inherent in the Notes.

Furthermore, during each Floating Interest Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the current market interest rate, as the market interest rate fluctuates. During each of these periods, the investor is exposed to the same risk as described under "*1.2.1.3 The Notes bear interest at a fixed rate from and including the Issue Date to but excluding the First Reset Date*".

*1.2.1.5 Reference rates and indices, including interest rate benchmarks, such as the EURIBOR, which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("**Benchmarks**"), have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated.*

Such political and regulatory scrutiny has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated. International proposals for reform of Benchmarks include in particular the European Council's regulation (EU) 2016/1011 of June 8, 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 (the "**Benchmark Regulation**") which is fully applicable since January 1, 2018.

These reforms and changes may cause a Benchmark to be subject to a change in underlying methodology, to perform differently than it has done in the past or to be discontinued. Any change in methodology, the performance of a Benchmark or its discontinuation, could have a material adverse effect on financial instruments referencing or linked to such Benchmark such as the Notes following the First Reset Date.

Following the First Reset Date, amounts payable under the Notes are calculated by reference to the EURIBOR, which is provided by the European Money Market Institute. The rate of interest for each Floating Interest Period will be determined on the corresponding Interest Determination Date by reference to Reuters Page EURIBOR01 (or such other screen page of Reuters or such other information service, which is the successor to Reuters Page EURIBOR01 for purposes of displaying such rates) (the "**Screen Page**"). In circumstances where EURIBOR is discontinued, neither the Screen Page, nor any successor or replacement may be available.

Under the Terms and Conditions, certain benchmark replacement provisions will apply in case the EURIBOR or any other Benchmark used as a reference for the calculation of interest amounts payable under the Notes were to be discontinued or otherwise unavailable.

If the EURIBOR or any other Benchmark used to calculate interest amounts payable under the Notes for any interest period has ceased to be calculated or administered, the Issuer shall, as soon as it is (in the Issuer's view) practicable following the occurrence of the relevant Benchmark Event and prior to the next date where the reference rate will be determined, endeavour to appoint an independent adviser, which must be an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets. Such independent adviser will be tasked with determining whether an officially recognised successor rate to the discontinued Benchmark exists. If that is not the case, the independent adviser will attempt to find an alternative rate which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark. Such adjustments or spreads are intended to be applied in order to produce an industry-accepted

replacement benchmark rate, however the relevant adjustments or spreads may not be successful in doing so and the Notes may still perform differently than if the original benchmark had continued to be used.

If the independent adviser determines a successor rate or alternative rate (the "**New Benchmark Rate**"), such rate will replace the previous Benchmark for purposes of determining the relevant rate of interest. Such determination will be binding for the Issuer, the Calculation Agent, the Paying Agents and the Holders. Any amendments pursuant to these fallback provisions will apply with effect from the respective effective date specified in the Terms and Conditions.

If the Issuer fails to appoint an independent adviser or if the adviser fails to determine a New Benchmark Rate following a discontinuation of a relevant Benchmark, the reference rate applicable to the immediately following Floating Interest Period shall be the original benchmark rate determined on the last preceding interest determination date, provided, however, that, in case the Benchmark Event occurs before the Interest Determination Date for the first Floating Interest Period, the reference rate shall be -0.03 per cent. *per annum*, subject to adjustments for later Floating Interest Periods in case the New Benchmark Rate can then be determined. Any replacement of a Benchmark in case of a Benchmark Event will only be made to the extent that no Regulatory Event (as defined in the Terms and Conditions) would occur as a result of such replacement. In case the replacement would lead to the occurrence of a Regulatory Event the reference rate applicable to the immediately following Floating Interest Period shall be the original benchmark rate determined on the last preceding Interest Determination Date, provided, however, that, in case the Benchmark Event occurs before the Interest Determination Date for the first Floating Interest Period, the reference rate shall be -0.03 per cent. *per annum*.

The replacement of the EURIBOR or any other Benchmark in case of a Benchmark Event could have adverse effects on the economic return of the Holder compared to the applicable original benchmark rate.

1.2.1.6 The Notes are long-term notes and their potential maturity date may be postponed.

The Notes are scheduled to be redeemed at par on September 10, 2041 (the "**Scheduled Maturity Date**"), provided that on such date the Conditions to Redemption are met. Before that date, the Issuer has, under certain conditions, the right to redeem or repurchase the Notes, but is under no obligation to do so. If on the Scheduled Maturity Date, the Conditions to Redemption are not met, redemption may be delayed beyond the Scheduled Maturity Date for an indefinite period of time. Therefore, Holders may receive the amounts due upon redemption at a much later point in time than initially expected.

Under the Terms and Conditions, the Holders have no right to require the redemption of the Notes prior to the Scheduled Maturity Date, and on or following the Scheduled Maturity Date only if the Conditions to Redemption are met.

Prospective investors should be aware that they may be required to bear the financial risk of an investment in the Notes for a long period and may not recover their investment before the end of this period.

Holders should be aware that the Terms and Conditions do not contain any event of default provisions that would allow Holders to accelerate the Notes on the occurrence of any event of default under the Notes.

1.2.1.7 The secondary market for the Notes might not develop or continue.

Application has been made for admission of the Notes to the official list of the Luxembourg Stock Exchange and for trading on the Euro MTF market operated by the Luxembourg Stock Exchange, which is a multilateral trading facility for the purposes of MiFID II. However, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. The fact that the Notes will be listed does not necessarily lead to greater liquidity as compared to unlisted securities. The liquidity of the Notes may also be subject to fluctuations during the term of the Notes.

In an illiquid market, an investor is subject to the risk that he will not be able to sell its Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

1.2.1.8 The Notes may be subject to early redemption by the Issuer under certain circumstances.

The Issuer may redeem the Notes at its option, subject to the Conditions to Redemption being fulfilled, at par plus accrued interest and any Arrears of Interest with effect as of each Business Day falling in a period from (and

including) March 10, 2031 to (and including) the First Reset Date and as of any Floating Interest Payment Date thereafter.

The redemption at the option of the Issuer may affect the market value of the Notes. During any period when the Issuer may, or may be perceived to be able to, elect to call and redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed (par plus accrued interest and any Arrears of Interest). Certain market expectations may exist among investors in the Notes with regard to the Issuer making use of its option to call the Notes for redemption prior to the Scheduled Maturity Date. Should the Issuer's actions diverge from such expectations, or should the Issuer be prevented from meeting these expectations, the market value of the Notes may be adversely affected.

In addition, the Issuer may at any time redeem the Notes at its option, subject to the Conditions to Redemption being met, at par plus accrued interest and any Arrears of Interest (as further described in the Terms and Conditions):

(i) if as a result of a change in applicable legislation or relevant jurisprudence, including a change in any fiscal or regulatory legislation, rules or practices, occurring on or after the Issue Date (including in case any such change, amendment or clarification has retroactive effect), the tax treatment of the Notes changes (including but not limited to the tax deductibility of the interest expense related to the Notes or the obligation to pay Additional Amounts (as defined in § 7 of the Terms and Conditions)) and if, in the Issuer's own reasonable opinion, this change has a material adverse effect on the Issuer; or

(ii) if there is a change in the regulatory classification of the Notes that would be likely to result in an exclusion of the Notes in full or in part from the Tier 2 Capital of the Issuer or the Group under the Applicable Supervisory Requirements (i.e., Tier 2 basic own funds for single solvency purposes of the Issuer or for group solvency purposes of the Group pursuant to the Applicable Supervisory Requirements); or

(iii) if, as a consequence of a change or clarification of the rating methodology (or the interpretation thereof) on or after the Issue Date, the treatment of the Notes with regards to measuring the capitalization or the leverage of the Issuer or the Group is, in the reasonable opinion of the Issuer, adversely affected (i) when compared to the treatment attributed by the relevant rating agency to the Notes with regards to measuring the capitalization or the leverage of the Issuer or the Group at the date of the issue of the Notes, or (ii) if no such treatment is attributed by the relevant rating agency to the Notes on the date of the issue of the Notes, when compared to the treatment attributed by the relevant rating agency to the Notes with regards to measuring the capitalization or the leverage of the Issuer or the Group at the date when such treatment is attributed for the first time by the relevant rating agency; or

(iv) if the Issuer in its own reasonable opinion as a result of any change in or amendment to the Applicable Accounting Standards, which change or amendment becomes effective on or after the date of the issue of the Notes, must not or must no longer record the obligations under the Notes as liabilities on the balance sheet in the Issuer's annual financial statements or annual consolidated financial statements prepared in accordance with the Applicable Accounting Standards and this cannot be avoided by the Issuer taking such measures it (acting in good faith) deems appropriate; or

(v) if at any time the Issuer or any subsidiary of the Issuer has purchased Notes equal to or more than 80 per cent. of the aggregate principal amount of the Notes initially issued and the aggregate principal amount of the Notes is reduced by at least this percentage in the global note accordingly.

"**Applicable Accounting Standards**" means the provisions of the German Commercial Code (*Handelsgesetzbuch* – "**HGB**") and the IFRS, as applicable at the relevant dates and for the relevant periods, or other accounting principles generally accepted and applied by the Issuer in the future.

"**Applicable Supervisory Requirements**" means the provisions of insurance regulation law as applicable at the relevant point in time to the solo solvency and the group solvency (for the avoidance of doubt, including any transitional rules), and any related provisions and regulations, resolutions or other decisions of the Competent Supervisory Authority and other requirements (including the regulatory practice of the Competent Supervisory Authority and relevant case law) affecting the Issuer and/or the Group and/or any member of the Group.

If the Notes are redeemed prior to September 10, 2041, a Holder is exposed to the risk that due to the early redemption the Holder's investment will have a lower than expected yield. In addition, Holders are exposed to the risks that the yield on any reinvestment of the cash proceeds received as a result of the early redemption in an asset of comparable credit quality and liquidity as the Notes may be substantially lower than the return of the

Notes might have been. Such cash proceeds from an early redemption may also be lower than the then prevailing market price of the Notes immediately prior to the publication of a notice of redemption.

1.2.1.9 The Terms and Conditions may be amended by resolution of the Holders in which a Holder may be subject to the risk of being outvoted by a majority resolution of the Holders.

The Terms and Conditions may be amended by the Issuer with consent of the Holders by way of a majority resolution in a Holders meeting or by a vote not requiring a physical meeting (*Abstimmung ohne Versammlung*) as described in §§ 5 *et seq.* of the German Act on Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen – SchVG*), the Issuer may subsequently amend the Terms and Conditions with the consent of the majority of Holders as described in the Terms and Conditions, which amendment will be binding on all Holders of the Notes, even on those who voted against the change.

Therefore, a Holder may be subject to the risk of being outvoted by a majority resolution of the Holders. As such majority resolution is binding on all Holders of the Notes, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled, which may have significant negative effects on the market price of the Notes and the return from the Notes.

In case of an appointment of a joint representative (*gemeinsamer Vertreter*) for all Holders by a majority resolution of the Holders meeting, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions of the Notes against the Issuer, such right passing to the joint representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

1.2.1.10 The risks resulting from the Notes representing regulatory capital of the Issuer include risks resulting from the Notes being structured to meet the criteria to qualify as regulatory capital (basic own funds).

The Notes will be issued to increase the Issuer's and the Group's regulatory capital under Solvency II and are intended to receive a certain capital treatment. The Terms and Conditions are structured accordingly, implying various risks for investors. In particular, there is the risk that the Issuer may be obliged to defer redemption of the Notes beyond the Scheduled Maturity Date, or to defer payment of interest beyond any Interest Payment Date, whenever certain regulatory capital requirements on solo or group level are not met. Any redemption of the Notes is subject to the Conditions to Redemption being met. Payment of interest is subject to optional or compulsory interest deferral. A deferral of the redemption and/or of any payment of interest in accordance with the Terms and Conditions does not constitute a breach of obligations under the Notes. In addition, the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, or any authority that becomes its successor in such capacity, hereinafter the "Competent Supervisory Authority") has specific rights to prohibit interest payments and any redemption of the Notes is subject to prior approval of the Competent Supervisory Authority. Such rights may change according to the Applicable Supervisory Requirements from time to time throughout the term of the Notes. Would the Notes (in whole or in part) not be eligible to qualify for inclusion in the determination of own funds as Tier 2 Capital, there is a risk that the Notes may be redeemed at the option of the Issuer at any time subject to the Conditions to Redemption being met, at par plus accrued interest and any Arrears of Interest (see also "*1.2.1.8 The Notes may be subject to early redemption by the Issuer under certain circumstances*").

1.2.1.11 Interest payments may be deferred and restrictions on payments of Arrears of Interest may apply.

If a Compulsory Deferral Event (as defined in the Terms and Conditions) has occurred with respect to the relevant Interest Payment Date, interest will not be due and payable (*fällig*) on that Interest Payment Date. The Issuer shall endeavor to give notice thereof to the Holders in accordance with § 12 of the Terms and Conditions as soon as practicable but no later than on the relevant Interest Payment Date. Any failure to give such notice shall not affect the validity of the compulsory deferral of the interest payment and shall not constitute a default for any purpose. If the Issuer has not given such notice prior to or on the relevant Interest Payment Date, it shall give it without undue delay thereafter.

The same applies in case no Compulsory Deferral Event has occurred, and the Issuer elects in its discretion to defer the payment of accrued interest by giving prior notice to the Holders provided that, during the six months before the relevant Interest Payment Date, no Dividend Payment Event (as defined in the Terms and Conditions) has occurred. Holders will not receive any additional interest or compensation for the compulsory or optional deferral of interest payments.

Interest deferred compulsorily or at the option of the Issuer will constitute Arrears of Interest, with no certainty for Holders as to when these Arrears of Interest will be paid. The Issuer will only be entitled to pay Arrears of Interest at any time if the Conditions to Settlement are fulfilled with respect to such payment. These restrictions also apply in the case of a mandatory settlement of Arrears of Interest, as further described in the Terms and Conditions. In addition, Arrears of Interest will not bear interest.

1.2.1.12 The risks associated with the ability of the Issuer to make payments when due include the risk that an investor in the Notes will lose all or some of its investment should the Issuer become insolvent and the risk that the market value of the Notes could decrease if the creditworthiness of the Issuer and/or the Group worsens.

1.2.1.12.1 An investor in the Notes may lose all or some of its investment should the Issuer become insolvent.

Any person who purchases the Notes is relying on the creditworthiness of the Issuer and has no rights against any other person.

Investors are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. A materialisation of the credit risk (for example, due to the materialisation of any of the "*Risks relating to the Issuer and W&W Group*" as described above) may result in partial or total failure of the Issuer to make interest and/or redemption payments under the Notes. This risk is aggravated by the fact that the Notes are unsecured and subordinated (see above, "*1.2.1.2 The obligations under the Notes constitute unsecured obligations of the Issuer ranking pari passu among themselves and subordinated to the Issuer's Senior Ranking Debt. There is a significant risk that Holders of Notes will lose all or some of their investment should the Issuer become insolvent.*") and could result in a partial or total loss of the investor's investment in the Notes.

1.2.1.12.2 The market value of the Notes could decrease if the creditworthiness of W&W and/or the W&W Group worsens.

If the likelihood decreases that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due, for example, because of the materialisation of any of the risks regarding W&W or the W&W Group, the market value of the Notes will fall. Moreover, the market value of the Notes can fall even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, but market participants have a different perception of the Issuer's creditworthiness. Furthermore, the market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the same business as the W&W Group could adversely change. If any of these risks materialises, third parties would only be willing to purchase Notes for a lower price than before the materialisation of mentioned risk. Under these circumstances, the market value of the Notes is likely to decrease.

1.2.2 Holders may have to return amounts received otherwise than pursuant to the Terms and Conditions

If the Notes are redeemed or repurchased otherwise than pursuant to § 4 and in accordance with § 11(2) of the Terms and Conditions, Holders may have to return any amounts so received irrespective of any agreement to the contrary.

1.2.3 A downgrade, suspension or withdrawal of the rating assigned by any rating agency could cause the liquidity or market value of the Notes to decline.

The Issuer has been and the Notes are expected to be assigned a credit rating by S&P. Credit ratings (including any unsolicited credit ratings) may, however, not reflect the potential impact of all risks related to the structure, market, additional factors discussed in this section and other factors that may affect the market value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant credit rating agency. The credit rating to be assigned to the Notes (including any unsolicited credit ratings) is not a statement as to the likelihood of cancellation of interest on the Notes.

Furthermore, rating agencies that currently or in the future publish a rating for the Issuer or the Notes may change the methodologies that they use for analysing securities with features similar to the Notes. Real or expected downgrades, suspensions or withdrawals of credit ratings assigned to the Issuer or the Notes, or changes in methodology used to determine these credit ratings, could cause the liquidity or trading prices of the Notes to

decline significantly. In addition, any uncertainty about the extent of any anticipated changes to the credit ratings assigned to the Issuer or the Notes may adversely affect the liquidity or market value of the Notes.

1.2.4 Risks related to application and changes to the Solvency II regulatory regime

The Issuer expects the Notes to qualify as Tier 2 Capital eligible to cover the regulatory capital requirements applicable to the Issuer and the Group. This expectation is based on the Issuer's review of available information in European Directive 2009/138/EC (Solvency II Directive), the German Insurance Supervision Act (*Versicherungsaufsichtsgesetz*), the level two implementation measures set out in Commission Delegated Regulation (EU) 2015/35 and related provisions and regulations, resolutions or other decisions and guidance of the competent supervisory authorities affecting the Issuer and the Group.

However, there is uncertainty as to how regulators, including the Competent Supervisory Authority in its role as insurance supervisory authority and EIOPA, the European insurance supervisory authority, will interpret the existing legal framework and apply them to the Issuer and the W&W Group. It is possible that the future regulatory framework for the financial and insurance industry may change. On December 17, 2020, EIOPA has delivered its opinion on the review of the Solvency II Directive, which may ultimately lead to changes in the Solvency II regime that may affect the Group.

Any changes that may occur in the application of insurance regulation in Germany subsequent to the date of this Prospectus and/or any subsequent changes to these rules and other variables may individually or in aggregate negatively affect the calculation of the regulatory capital of the Issuer and/or the Group and the calculation of the relevant regulatory capital requirements and make them more onerous. Any such change, in particular changes in how the relevant regulatory capital requirements are calculated, may increase the risk of a cancellation of interest payments or redemption of the Notes by the Issuer due to a regulatory event (see also "*1.2.1.8 The Notes may be subject to early redemption by the Issuer under certain circumstances*").

A reduction of the solvency ratios of the Issuer or the Group due to changes in the Solvency II regulatory regime (or for any other reason) could also have adverse consequences for the rating of the Notes, irrespective of whether or not the insurance financial strength rating changes for the same reason. In other words, such a reduction of the solvency ratios of the Issuer or the Group could increase the distance (often referred to "notching") between the insurance financial strength rating and the issue rating of the Notes.

In addition, the Terms and Conditions make references to multiple laws and regulations as in force as of a future date upon which a certain event may occur or a certain decision may be taken in respect of the Notes. Therefore, any changes in those laws and regulations between the date of this Prospectus and the date of such event or decision may change the operation of the Terms and Conditions of the Notes and may have adverse effects on the legal position of investors.

2 TERMS AND CONDITIONS OF THE NOTES

Binding German Language Version

(BINDENDE DEUTSCHE FASSUNG DER ANLEIHEBEDINGUNGEN)

Bedingungen der Schuldverschreibungen
(die "**Anleihebedingungen**")

§ 1
Währung, Festgelegter Nennbetrag, Form

(1) *Währung; Festgelegter Nennbetrag*. Diese Serie von nachrangigen Schuldverschreibungen der Wüstenrot & Württembergische AG (die "**Emittentin**") wird in Euro ("**EUR**") (die "**Festgelegte Währung**") im Gesamtnennbetrag von EUR 300.000.000,00 (in Worten: Dreihundertmillionen Euro) begeben und ist eingeteilt in Schuldverschreibungen (die "**Schuldverschreibungen**" und jeweils eine "**Schuldverschreibung**") im festgelegten Nennbetrag von je EUR 100.000 (der "**Festgelegte Nennbetrag**").

(2) *Form*.

Die Schuldverschreibungen lauten auf den Inhaber.

(3) *Globalurkunde.*

Die Schuldverschreibungen sind zunächst in einer vorläufigen Globalurkunde (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft.

Die Vorläufige Globalurkunde wird (insgesamt oder teilweise und unentgeltlich) an oder nach dem Tag, der 40 Tage nach dem Tag der Begebung der Schuldverschreibungen, frühestens jedoch 40 Tage nach dem Tag des Beginns des

Non-Binding English Language Version

(ENGLISH CONVENIENCE TRANSLATION OF THE TERMS AND CONDITIONS OF THE NOTES)

Terms and Conditions of the Notes
(the "**Terms and Conditions**")

§ 1
Currency, Specified Denomination, Form

(1) *Currency; Specified Denomination.* This series of subordinated notes of Wüstenrot & Württembergische AG (the "**Issuer**") is issued in Euro ("**EUR**") (the "**Specified Currency**") in the aggregate nominal amount of EUR 300,000,000.00 (in words: Three hundred million Euros) and is divided into notes (the "**Notes**" and each a "**Note**") in the specified denomination of EUR 100,000 each (the "**Specified Denomination**").

(2) *Form*.

The Notes are being issued in bearer form.

(3) *Global Note.*

The Notes are initially represented by a temporary global Note (the "**Temporary Global Note**") without interest coupons.

The Temporary Global Note will be exchangeable (in whole or in part and free of charge) on or after the day that is 40 days after the later of the commencement of the offering and the date of issue of the Notes for a permanent global Note (the

Angebots liegt, gegen Nachweis über das Nichtbestehen wirtschaftlichen U.S.-Eigentums im Sinne des U.S.-Rechts (*non-U.S. beneficial ownership*) in der in der Vorläufigen Globalurkunde vorgesehenen Form, gegen eine dauerhafte Globalurkunde (die "**Dauer-Globalurkunde**") (die Vorläufige Globalurkunde und die Dauer-Globalurkunde jeweils auch eine "**Globalurkunde**") ohne Zinsscheine ausgetauscht. Ein Recht der Gläubiger (wie nachstehend definiert) auf Ausgabe und Lieferung von Einzelurkunden oder Zinsscheinen besteht nicht.

"**Permanent Global Note**") (the Temporary Global Note and the Permanent Global Note, each a "**Global Note**") without interest coupons upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. The right of the Holders (as defined below) to require the issue and delivery of definitive notes or interest coupons is excluded.

Die Vorläufige Globalurkunde und die Dauer-Globalurkunde tragen jeweils die Unterschriften von zwei Unterschriftsberechtigten der Emittentin und sind von oder im Namen der Hauptzahlstelle mit einer Kontrollunterschrift zu versehen.

Each of the Temporary Global Note and the Permanent Global Note shall be signed by two authorized signatories of the Issuer and shall be authenticated by or on behalf of the Principal Paying Agent.

(4) *Clearing System*. Die Vorläufige Globalurkunde und die Dauer-Globalurkunde werden von einem oder im Namen eines Clearing Systems verwahrt bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.

(4) *Clearing System*. The Temporary Global Note and the Permanent Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied.

"**Clearing System**" bedeutet jeweils folgendes: Clearstream Banking S.A., Luxemburg, ("**CBL**"), Euroclear Bank SA/NV ("**Euroclear**") (CBL and Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**") und jeder Funktionsnachfolger.

"**Clearing System**" means each of the following: Clearstream Banking S.A., Luxembourg, ("**CBL**"), Euroclear Bank SA/NV ("**Euroclear**") (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**") and any successor in such capacity.

Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.

The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

(5) "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder vergleichbarer Rechte an der Globalurkunde, der oder die nach Maßgabe des anwendbaren Rechts und der jeweils geltenden Regelwerke des Clearing Systems übertragen werden können.

(5) "**Holder**" means any holder of a proportionate co-ownership or comparable rights in the Global Note, which are transferable in accordance with applicable laws and the rules and regulations of the Clearing System as applicable from time to time.

(6) *Register der ICSDs*. Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesem Zweck von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist maßgebliche Bestätigung über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

(6) *Records of the ICSDs*. The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by a ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

Bei jeder Tilgung auf die durch die Globalurkunde verbrieften Schuldverschreibungen bzw. beim Kauf und der Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten der Rückzahlung oder des Kaufs und der Entwertung bezüglich der Globalurkunde entsprechend in die Unterlagen der ICSDs eingetragen werden, und dass nach dieser Eintragung vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

On any redemption being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered accordingly in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

Bei Austausch eines Anteils von ausschließlich durch eine Vorläufige Globalurkunde verbriefter Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

§ 2
Status

(1) *Status der Schuldverschreibungen.*

Die Schuldverschreibungen begründen nicht besicherte Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind.

Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen sind nachrangig gegenüber den Vorrangigen Verbindlichkeiten der Emittentin.

Im Fall der Liquidation, der Auflösung oder der Insolvenz der Emittentin oder eines Vergleichs oder eines anderen der Abwendung der Insolvenz dienenden Verfahrens gegen die Emittentin werden die Ansprüche der Gläubiger aus den Schuldverschreibungen erst nach den Ansprüchen der Inhaber aller Vorrangigen Verbindlichkeiten der Emittentin bedient. In einem solchen Fall werden die Gläubiger keine Zahlungen auf die Schuldverschreibungen erhalten, bis alle Ansprüche aus den Vorrangigen Verbindlichkeiten der Emittentin vollständig bedient sind.

Für die Verbindlichkeiten der Emittentin aus diesen Schuldverschreibungen ist den Gläubigern keine Sicherheit durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird (vorbehaltlich § 10 (1) (c)) auch zu keinem Zeitpunkt gestellt werden.

Kein Gläubiger ist berechtigt, Forderungen aus den Schuldverschreibungen gegen etwaige Forderungen der Emittentin gegen ihn aufzurechnen. Die Emittentin ist vorbehaltlich der Erfüllung der Rückzahlungsbedingungen (wie in § 4 (4) (a) definiert) berechtigt, Forderungen gegen einen Gläubiger mit den Verbindlichkeiten aus den

§ 2
Status

(1) *Status of the Notes.*

The Notes constitute unsecured obligations of the Issuer, ranking *pari passu* among themselves.

The obligations of the Issuer under the Notes rank subordinated to the Issuer's Senior Ranking Debt.

In the event of the liquidation, dissolution, or insolvency of the Issuer, or composition or any other proceedings for the avoidance of insolvency against, the Issuer, the claims of the Holders under the Notes will be satisfied after (but only after) the claims of all holders of the Issuer's Senior Ranking Debt. In any such event, Holders will not receive any amounts payable in respect of the Notes until the claims of all Issuer's Senior Ranking Debt have first been satisfied in full.

No security of whatever kind securing the obligations of the Issuer under the Notes is, or shall at any time be (subject to § 10 (1) (c)), provided by the Issuer or any other person to the Holders.

No Holder may set off any claims arising under the Notes against any claims that the Issuer may have against it. The Issuer may set off its claims against a Holder against its obligations arising under the Notes subject to the Conditions to Redemption (as defined in § 4 (4) (a)) being fulfilled.

Schuldverschreibungen aufzurechnen.

"**Vorrangige Verbindlichkeiten der Emittentin**" bezeichnet:

(a) alle nicht nachrangigen Verbindlichkeiten der Emittentin (zur Klarstellung: dies schließt Verbindlichkeiten der Emittentin gegenüber sämtlichen Versicherungsnehmern und Anspruchsberechtigten aus Versicherungs- und Rückversicherungsverträgen ein); und

(b) alle gesetzlich nachrangigen Verbindlichkeiten der Emittentin gemäß § 39 Absatz 1 Insolvenzordnung – InsO in ihrer jeweils geltenden Fassung (die "**InsO**"); und

(c) alle nachrangigen Verbindlichkeiten der Emittentin, soweit diese mit gesetzlich nachrangigen Verbindlichkeiten der Emittentin gemäß § 39 Absatz 1 InsO zumindest gleichrangig sind; und

(d) alle nachrangigen Verbindlichkeiten der Emittentin, die aufgrund zwingender gesetzlicher Bestimmungen gegenüber den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen vorrangig sind.

(2) *Zahlungsbedingungen.* Bereits vor Einleitung eines Insolvenz- oder Liquidationsverfahrens über das Vermögen der Emittentin steht

(a) jede Zahlung von Zinsen und jede Nachzahlung von Zinsrückständen auf die Schuldverschreibungen unter dem Vorbehalt der Erfüllung der Bedingungen gemäß § 3 (8) und § 3 (9); und

(b) jede Rückzahlung und jeder Rückkauf

"**Issuer's Senior Ranking Debt**" means all of the Issuer's:

(a) unsubordinated obligations (for the avoidance of doubt: this includes any obligations of the Issuer towards all policy holders and beneficiaries under insurance and reinsurance contracts); and

(b) obligations subordinated by operation of law pursuant to § 39(1) of the German Insolvency Code (*Insolvenzordnung – InsO*), as amended from time to time (the "**InsO**"); and

(c) subordinated obligations ranking at least *pari passu* with the Issuer's obligations subordinated by operation of law pursuant to § 39(1) InsO; and

(d) subordinated obligations which rank senior to the obligations of the Issuer under the Notes pursuant to mandatory statutory provisions.

(2) *Payment Conditions*. Even prior to the commencement of any insolvency or liquidation proceedings over the assets of the Issuer

(a) any payment of interest and any payment of Arrears of Interest on the Notes will be subject to the conditions set forth in § 3 (8) and § 3 (9) being met; and

(b) any redemption and any Repurchase

(wie in § 11 (2) definiert) der Schuldverschreibungen unter dem Vorbehalt der Erfüllung der Rückzahlungsbedingungen.

(as defined in § 11 (2)) of the Notes will be subject to the Conditions to Redemption being met.

(3) *Hinweis auf vorinsolvenzliches Zahlungsverbot.*

Zu den Bedingungen gemäß § 3 (8) und § 3 (9) und zu den Rückzahlungsbedingungen gemäß § 4 (4) (a) gehören die Bedingungen, dass an dem Tag, an dem der betreffende Betrag von Kapital oder Zinsen (oder Zinsrückständen) zur Zahlung vorgesehen ist, (i) kein Insolvenzereignis eingetreten ist und an diesem Tag fortbesteht und (ii) die Zahlung des betreffenden Betrags kein Insolvenzereignis auslösen würde oder dessen drohenden Eintritt beschleunigen würde.

Das bedeutet, dass die Emittentin unabhängig von und bereits vor Einleitung eines Insolvenz- oder Liquidationsverfahrens über das Vermögen der Emittentin weder eine vorgesehene Zahlung von Zinsen noch eine Rückzahlung von Kapital vornehmen darf, wenn ein Insolvenzereignis eingetreten ist oder die Zahlung die Insolvenz der Emittentin auslösen oder deren Eintritt beschleunigen würde. In diesen Fällen haben die Gläubiger keinen Anspruch auf eine solche Zahlung.

Die Zahlungsbedingungen gemäß § 2 (2) begründen ein Zahlungsverbot dahingehend, dass Zahlungen auf die Schuldverschreibungen von der Emittentin nur nach Maßgabe der vorgenannten Bedingungen geleistet werden dürfen.

Ein solches Zahlungsverbot kann für unbestimmte Zeit und sogar dauerhaft gelten.

Verbotswidrige Zahlungen sind der Emittentin ohne Rücksicht auf entgegenstehende Vereinbarungen zurück

(3) *Note on the prohibition on payments applicable prior to an insolvency.*

The conditions set forth in § 3 (8) and § (9) and the Conditions to Redemption set forth in § 4 (4) (a) include the conditions that, on the date on which the relevant amount of principal or interest (or Arrears of Interest) is scheduled to be paid, (i) no Insolvency Event has occurred and is continuing on such date, and (ii) the payment of the relevant amount would not cause an Insolvency Event or accelerate the imminent occurrence of such Insolvency Event.

This means that irrespective of, and even prior to, the commencement of any insolvency or liquidation proceedings over the assets of the Issuer, the Issuer shall not make a scheduled payment of interest or a repayment of principal if an Insolvency Event has occurred or if the payment would cause the insolvency of the Issuer or accelerate the process of the Issuer becoming insolvent. In these circumstances, Holders will not have any claim for such payment.

The payment conditions pursuant to § 2 (2) constitute a prohibition on payment, meaning that any payments on the Notes may only be made by the Issuer if it is made in accordance with the aforementioned conditions.

Such a prohibition on payments may be in effect for an indefinite period of time and even permanently.

Any payment made in breach of this prohibition must be repaid to the Issuer irrespective of any agreement to the

zu zahlen.

Ein "**Insolvenzereignis**" ist unabhängig von der Einleitung eines Insolvenz- oder Liquidationsverfahrens eingetreten, wenn bezüglich der Emittentin ein Eröffnungsgrund für ein Insolvenzverfahren im Sinne der Anwendbaren Insolvenzrechtlichen Vorschriften vorliegt. Gemäß der am Tag der Begebung der Schuldverschreibungen geltenden Anwendbaren Insolvenzrechtlichen Vorschriften sind folgende Eröffnungsgründe möglich: (i) die Emittentin ist an dem betreffenden Tag überschuldet im Sinne von § 19 InsO oder (ii) die Emittentin ist an dem betreffenden Tag zahlungsunfähig im Sinne von § 17 InsO, oder (iii) bei der Emittentin liegt eine drohende Zahlungsunfähigkeit im Sinne von § 18 InsO vor (jedoch unabhängig davon, ob die Eröffnung eines Insolvenzverfahrens beantragt wurde).

"**Anwendbare Insolvenzrechtliche Vorschriften**" bezeichnet die maßgeblichen Vorschriften zur Regelung öffentlicher und/oder privater Verfahren, die der Abwicklung und/oder Sanierung der Emittentin dienen (einschließlich der insolvenzrechtlichen Vorschriften), und der weiteren, darauf bezogenen Regelungen und Verordnungen sowie Beschlüsse und sonstige Entscheidungen einer für die Abwicklung und/oder Sanierung zuständigen Behörde und sonstige Vorschriften (einschließlich der Verwaltungspraxis dieser Behörden und einschlägiger Gerichtspraxis und Gerichtsentscheidungen), die jeweils in Bezug auf die Emittentin in dem betreffenden Zeitpunkt anwendbar sind.

(4) *Bedienung aus dem sonstigen freien Vermögen.* Unter Beachtung der Nachrangregelungen und Zahlungsbedingungen gemäß § 2 (1)-(3)

contrary.

An "**Insolvency Event**" will have occurred, regardless of the opening of any insolvency or liquidation proceedings, if a reason for the opening of insolvency proceedings in respect of the Issuer within the meaning of the Applicable Insolvency Regulations exists. Pursuant to the Applicable Insolvency Regulations in effect on the date of issue of the Notes, the following reasons for the opening of insolvency proceedings apply: On any relevant day, (i) the Issuer is over-indebted (*überschuldet*) within the meaning of § 19 InsO or (ii) the Issuer is illiquid (*zahlungsunfähig*) within the meaning of § 17 InsO or (iii) an imminent illiquidity (*drohende Zahlungsunfähigkeit*) of the Issuer within the meaning of § 18 InsO exists (regardless of the application for the opening of any insolvency proceedings).

"**Applicable Insolvency Regulations**" means the relevant provisions governing public and/or private proceedings for the resolution and/or reorganization of the Issuer (including insolvency laws) and any further rules and regulations thereunder and any orders or other decisions of any authority which is competent for the resolution and/or reorganization, and any other provisions (including the administrative practice of such authorities and any pertinent court case law and court decisions) that are applicable to the Issuer from time to time.

(4) *Payments from other Distributable Assets.* Subject to compliance with the provisions on subordination and payment conditions pursuant to § 2 (1) through (3), the Issuer

bleibt es der Emittentin unbenommen, ihre Verbindlichkeiten aus den Schuldverschreibungen aus ihrem sonstigen freien Vermögen zu bedienen.

may pay amounts due under the Notes from its other distributable assets (*sonstiges freies Vermögen*).

§ 3
Zinsen

§ 3
Interest

(1) *Festzins.*

(a) In dem Zeitraum ab dem 10. September 2021 (der "**Verzinsungsbeginn**") (einschließlich) bis zum 10. September 2031 (der "**Erste Zinsanpassungstag**") (ausschließlich) wird jede Schuldverschreibung bezogen auf ihren Festgelegten Nennbetrag mit jährlich 2,125 % verzinst.

Bis zum Ersten Zinsanpassungstag (einschließlich) sind die Zinsen nachträglich am 10. September eines jeden Jahres (jeweils ein "**Festzins-Zinszahlungstag**"), beginnend am 10. September 2022 zur Zahlung vorgesehen und werden gemäß § 3 (8) und § 3 (9) fällig.

(b) Die Zinsen für einen beliebigen Zeitraum bis zum Ersten Zinsanpassungstag (ausschließlich) werden auf der Grundlage des Festzins-Zinstagequotienten berechnet.

"**Festzins-Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung eines Betrages von Zinsen auf die Schuldverschreibungen für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

(i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch die Anzahl von Tagen in der betreffenden Feststellungsperiode; und

(ii) wenn der Zinsberechnungszeitraum

(1) *Fixed Interest Rate.*

(a) In the period from (and including) September 10, 2021 (the "**Interest Commencement Date**") to (but excluding) September 10, 2031 (the "**First Reset Date**") each Note bears interest on its Specified Denomination at a rate of 2.125 per cent. *per annum*.

Until and including the First Reset Date, interest is scheduled to be paid in arrear on September 10 of each year (each a "**Fixed Interest Payment Date**"), commencing on September 10, 2022 and will be due and payable (*fällig*) in accordance with the conditions set forth in § 3 (8) and § 3 (9).

(b) Interest for any period of time to but excluding the First Reset Date will be calculated on the basis of the Fixed Day Count Fraction.

"**Fixed Day Count Fraction**" means, in respect of the calculation of an amount of interest on the Notes for any period of time (the "**Calculation Period**"):

(i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the number of days in such Determination Period; and

(ii) if the Calculation Period is longer than

länger als eine Feststellungsperiode ist, die Summe aus

(A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der der Zinsberechnungszeitraum beginnt, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode; und

(B) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode.

the Determination Period, the sum of:

(A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the number of days in such Determination Period; and

(B) the number of days in such Calculation Period falling in the next following Determination Period divided by the number of days in such Determination Period.

Dabei gilt Folgendes:

"**Feststellungsperiode**" bezeichnet jede Periode ab dem 10. September (einschließlich), der in ein beliebiges Jahr fällt, bis zum nächsten 10. September (ausschließlich).

"**Festzins-Zinsperiode**" bezeichnet jeden Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Festzins-Zinszahlungstag (ausschließlich) und nachfolgend ab jedem Festzins-Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Festzins-Zinszahlungstag (ausschließlich).

Where:

"**Determination Period**" means each period from (and including) September 10 in any given year to (but excluding) the next following September 10.

"**Fixed Interest Period**" means each period from and including the Interest Commencement Date to but excluding the first Fixed Interest Payment Date and thereafter from and including each Fixed Interest Payment Date to but excluding the next following Fixed Interest Payment Date.

(2) *Variabler Zins*.

(a) *Variable Zinszahlungstage*. Jede Schuldverschreibung wird bezogen auf ihren Festgelegten Nennbetrag für die jeweilige Variable Zinsperiode mit einem jährlichen Satz, der dem Variablen Zinssatz entspricht, verzinst. Während einer jeden solchen Variablen Zinsperiode sind die Zinsen nachträglich an jedem Variablen Zinszahlungstag zur Zahlung vorgesehen und werden gemäß § 3 (8) und § 3 (9) fällig. Der zur Zahlung vorgesehene Variable Zinsbetrag wird gemäß § 3 (5) berechnet.

"**Variabler Zinszahlungstag**" bezeichnet, vorbehaltlich der Variablen Geschäftstagekonvention, den 10. März, 10. Juni, 10. September und 10. Dezember eines jeden Jahres. Der erste Variable Zinszahlungstag ist, vorbehaltlich der Variablen Geschäftstagekonvention, der 10. Dezember 2031.

"**Variable Geschäftstagekonvention**" hat die folgende Bedeutung: Fällt ein Variabler Zinszahlungstag auf einen Tag, der kein Geschäftstag ist, dann wird der Variable Zinszahlungstag auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Variable Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.

"**Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem das Clearing System und alle betroffenen Bereiche des Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) geöffnet sind, um Zahlungen abzuwickeln.

(b) *Variabler Zinssatz*. Der "**Variable Zinssatz**" für jede Variable Zinsperiode (wie nachstehend definiert) ist der Zinssatz *per annum*, der dem Referenzsatz (wie in

(2) *Floating Rate of Interest*.

(a) *Floating Interest Payment Dates*. Each Note bears interest on its Specified Denomination at the rate *per annum* equal to the Floating Rate of Interest for the relevant Floating Interest Period. During each such Floating Interest Period interest is scheduled to be paid in arrear on each Floating Interest Payment Date and will be due and payable in accordance with the conditions set forth in § 3 (8) and § 3 (9). The Floating Interest Amount scheduled to be paid shall be determined in accordance with § 3 (5).

"**Floating Interest Payment Date**" means, subject to the Floating Business Day Convention, March 10, June 10, September 10 and December 10 in each year. The first Floating Interest Payment Date will be December 10, 2031, subject to the Floating Business Day Convention.

"**Floating Business Day Convention**" has the following meaning: If any Floating Interest Payment Date would otherwise fall on a day which is not a Business Day, the Floating Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Floating Interest Payment Date shall be brought forward to the immediately preceding Business Day.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which both the Clearing System and all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) are open to effect payments.

(b) *Floating Rate of Interest*. The "**Floating Rate of Interest**" for each Floating Interest Period (as defined below) will be a rate *per annum* equal to the Reference Rate (as

§ 3 (3) definiert) zuzüglich der Marge entspricht, wobei der Variable Zinssatz mindestens 0,00 % *per annum* beträgt.

"**Marge**" bezeichnet 3,25 % *per annum*[1].

"**Variable Zinsperiode**" bezeichnet den Zeitraum ab dem Ersten Zinsanpassungstag (einschließlich) bis zum ersten Variablen Zinszahlungstag (ausschließlich) sowie jeden folgenden Zeitraum ab einem Variablen Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Variablen Zinszahlungstag (ausschließlich).

"**Zinsfestlegungstag**" bezeichnet den zweiten TARGET-Geschäftstag (wie unter § 3 (3) definiert) vor Beginn der jeweiligen Variablen Zinsperiode.

(3) *Feststellung des Referenzsatzes*.

Die Berechnungsstelle bestimmt an jedem Zinsfestlegungstag den betreffenden Referenzsatz nach Maßgabe dieses § 3 (3).

Der "**Referenzsatz**" für jede Variable Zinsperiode wird wie folgt bestimmt:

(a) Für jede Variable Zinsperiode, die vor dem Eintritt des jeweiligen Stichtags (wie in § 3 (4) (g) definiert) beginnt, entspricht der Referenzsatz dem Ursprünglichen Benchmarksatz an dem betreffenden Zinsfestlegungstag.

Falls der Ursprüngliche Benchmarksatz zu dem betreffenden Zeitpunkt an dem betreffenden Zinsfestlegungstag nicht auf der Bildschirmseite angezeigt wird, entspricht der Referenzsatz dem Referenzbankensatz an diesem betreffenden Zinsfestlegungstag.

defined in § 3 (3)) plus the Margin, subject to a minimum Floating Rate of Interest of 0.00 per cent. *per annum*.

"**Margin**" means 3.25 per cent. *per annum*[1].

"**Floating Interest Period**" means the period from and including the First Reset Date to but excluding the first Floating Interest Payment Date and thereafter from and including each Floating Interest Payment Date to but excluding the following Floating Interest Payment Date.

"**Interest Determination Date**" means the second TARGET Business Day (as defined in § 3 (3)) prior to the commencement of the relevant Floating Interest Period.

(3) *Determination of the Reference Rate*.

The Calculation Agent will determine the relevant Reference Rate in accordance with this § 3 (3) on each Interest Determination Date.

The "**Reference Rate**" for each Floating Interest Period will be determined as follows:

(a) For each Floating Interest Period beginning prior to the occurrence of the relevant Effective Date (as defined in § 3 (4) (g), the Reference Rate will be equal to the Initial Benchmark Rate on the relevant Interest Determination Date.

If the Initial Benchmark Rate does not appear on the Screen Page as at such time on the relevant Interest Determination Date, the Reference Rate will be equal to the Reference Bank Rate on that Interest Determination Date.

[1] Entspricht der ursprünglichen Kreditmarge zum Zeitpunkt der Festsetzung der Konditionen zzgl. eines moderaten Step-up i.H.v. 100 Basispunkten. // This equals the initial credit spread at the time of pricing plus a moderate step-up of 100 bps.

Falls der Referenzbankensatz nicht gemäß der Definition dieses Begriffs festgestellt werden kann, entspricht der Referenzsatz dem Ursprünglichen Benchmarksatz auf der Bildschirmseite an dem letzten Tag vor dem Zinsfestlegungstag, an dem dieser Ursprüngliche Benchmarksatz angezeigt wurde.

If the Reference Bank Rate cannot be determined in accordance with the definition of such term, the Reference Rate shall be equal to the Initial Benchmark Rate on the Screen Page on the last day preceding the Interest Determination Date on which such Initial Benchmark Rate was displayed.

(b) Für die Variable Zinsperiode, die unmittelbar nach dem jeweiligen Stichtag beginnt, und alle folgenden Variablen Zinsperioden wird der Referenzsatz gemäß § 3 (4) bestimmt.

(b) For the Floating Interest Period commencing immediately after the relevant Effective Date and all following Floating Interest Periods, the Reference Rate will be determined in accordance with § 3 (4).

(c) Wenn die Feststellung des Referenzsatzes dazu führen würde, dass ein Aufsichtsrechtliches Ereignis (wie in § 4 (3) (c) definiert) eintritt, entspricht der Referenzsatz für die nächste und jede nachfolgende Variable Zinsperiode dem an dem letzten zurückliegenden Zinsfestlegungstag festgestellten Referenzsatz, wobei falls dieser § 3 (3) (c) bereits an dem Zinsfestlegungstag vor Beginn der ersten Variablen Zinsperiode angewendet werden muss, der Referenzsatz für die erste und jede nachfolgende Variable Zinsperiode -0,03 % *per annum* entspricht[2].

(c) If the determination of the Reference Rate would cause a Regulatory Event (as defined in § 4 (3) (c)), the Reference Rate applicable to the next and each subsequent Floating Interest Period shall be the Reference Rate determined on the last preceding Interest Determination Date, provided that if this § 3 (3) (c) is to be applied on the first Interest Determination Date prior to the commencement of the first Floating Interest Period, the Reference Rate applicable to the first and each subsequent Floating Interest Period shall be -0.03 per cent. *per annum*[2].

"**Ursprünglicher Benchmarksatz**" an einem Tag bezeichnet (vorbehaltlich § 3 (4)) die 3-Monats Euro Interbank Offered Rate (ausgedrückt als Prozentsatz *per annum*), die an dem betreffenden Tag um 11:00 Uhr

"**Initial Benchmark Rate**" on any day means (subject to § 3 (4)) the 3-month Euro Interbank Offered Rate (expressed as a percentage rate *per annum*) fixed at, and appearing on the Screen Page as of, 11:00

[2] Dieser Satz entspricht der (x) Summe aus der (im Zeitpunkt der Preisfestsetzung festgestellten) Reoffer-Rendite und dem moderaten Step-Up iHv 100 Basispunkten, welche Summe von einem *per annum* Satz (zahlbar jährlich nachträglich auf der Grundlage von Act/Act) auf einen *per annum* Satz (zahlbar vierteljährlich nachträglich auf der Grundlage von Act/360) umgerechnet wird; abzüglich (y) der oben definierten Marge. // This rate will be equal to (x) the sum of the re-offer yield (as determined at the time of pricing) and the moderate step-up of 100 basis points, which sum up is converted from a *per annum* rate (payable annually in arrear on an Act/Act basis) to a *per annum* rate (payable quarterly in arrear on an Act/360 basis); less (y) the margin as defined above.

(Brüsseler Ortszeit) festgesetzt und auf der Bildschirmseite angezeigt wird.

a.m. (Brussels time) on such day.

"**Referenzbankensatz**" bezeichnet den (als Prozentsatz *per annum* ausgedrückten) Satz für Einlagen in EUR für die betreffende Variable Zinsperiode und über einen Repräsentativen Betrag (auf Grundlage des Actual/360 Zinstagequotienten), den die Referenzbanken (wie nachstehend definiert) gegenüber führenden Banken im Interbankenmarkt der Euro-Zone um ca. 11:00 Uhr (Brüsseler Ortszeit) an dem betreffenden Zinsfestlegungstag nennen, und der wie folgt bestimmt wird: Die Emittentin wird jede Referenzbank bitten, der Berechnungsstelle ihren Angebotssatz mitzuteilen. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Referenzbankensatz für die betreffende Variable Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste tausendstel Prozent, wobei 0,0005 aufgerundet wird) dieser Angebotssätze, wobei alle Feststellungen durch die Berechnungsstelle erfolgen.

"**Reference Bank Rate**" means the rate (expressed as a percentage rate *per annum*) at which the Reference Banks (as defined below) offer to prime banks in the Euro-Zone interbank market and in a Representative Amount, assuming an Actual/360 day count basis, deposits in EUR at approximately 11:00 a.m. (Brussels time) on the relevant Interest Determination Date for the relevant Floating Interest Period determined as follows: The Issuer shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Reference Bank Rate for such Floating Interest Period shall be the arithmetic mean (rounded, if necessary, to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such offered quotations, all as determined by the Calculation Agent.

Falls an dem betreffenden Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle die im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Referenzbankensatz für die betreffende Variable Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste tausendstel Prozent, wobei 0,0005 aufgerundet wird) der Sätze ermittelt, die von der Emittentin ausgewählte Großbanken im Interbankenmarkt der Euro-Zone um ca. 11:00 Uhr (Brüsseler Ortszeit) der Berechnungsstelle auf Bitte der Emittentin als den jeweiligen Satz nennen,

If on the relevant Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Reference Bank Rate for the relevant Floating Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded, if necessary, to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of the rates, as communicated at approximately 11:00 a.m. (Brussels time) at the request of the Issuer to the Calculation Agent by major banks in the Euro-Zone interbank market, selected by the Issuer, at which such banks offer, on the relevant

zu dem sie an dem betreffenden Zinsfestlegungstag Darlehen in EUR für die betreffende Variable Zinsperiode und über einen Repräsentativen Betrag gegenüber führenden europäischen Banken anbieten.

Interest Determination Date, loans in EUR for the relevant Floating Interest Period and in a Representative Amount to leading European banks.

Dabei gilt Folgendes:

Where:

"**Bildschirmseite**" bezeichnet die Reuters Bildschirmseite EURIBOR01 oder eine andere Bildschirmseite von Reuters oder von einem anderen Informationsanbieter als Nachfolger, welche die Reuters Bildschirmseite EURIBOR01 ersetzt.

"**Screen Page**" means the Reuters screen page EURIBOR01 or such other screen page of Reuters or such other information service which is the successor to the Reuters screen page EURIBOR01.

"**Euro-Zone**" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992) und den Amsterdamer Vertrag vom 2. Oktober 1997, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.

"**Euro-zone**" means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and the Amsterdam Treaty of 2 October 1997, as further amended from time to time.

"**Referenzbanken**" bezeichnet die Hauptniederlassungen von vier von der Emittentin ausgewählten großen Banken im Interbankenmarkt der Euro-Zone.

"**Reference Banks**" means the principal Euro-zone offices of four major banks in the Euro-zone interbank market, in each case selected by the Issuer.

"**Repräsentativer Betrag**" bezeichnet einen Betrag, der zu dem betreffenden Zeitpunkt in dem jeweiligen Markt für eine einzelne Transaktion repräsentativ ist.

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time.

"**TARGET-Geschäftstag**" bezeichnet einen Tag, an dem das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) betriebsbereit ist.

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) is operational.

(4) *Benchmark-Ereignis.* Wenn ein Benchmark-Ereignis (wie in § 3 (4) (f) definiert) in Bezug auf den Ursprünglichen Benchmarksatz eintritt, gilt für die Bestimmung des

(4) *Benchmark Event.* If a Benchmark Event (as defined in § 3 (4) (f)) occurs in relation to the Initial Benchmark Rate, the relevant Reference Rate and the interest on the

betreffenden Referenzsatzes und die Verzinsung der Schuldverschreibungen gemäß § 3 (2) Folgendes:

(a) *Unabhängiger Berater*. Die Emittentin wird sich bemühen, sobald dies (nach Ansicht der Emittentin) nach Eintritt des Benchmark-Ereignisses und vor dem nächsten Zinsfestlegungstag erforderlich ist, einen Unabhängigen Berater (wie in § 3 (4) (f) definiert) zu benennen, der einen Neuen Benchmarksatz (wie in § 3 (4) (f) definiert), die Anpassungsspanne (wie in § 3 (4) (f) definiert) und etwaige Benchmark-Änderungen (wie in § 3 (4) (d) definiert) festlegt.

(b) *Ausweichsatz (Fallback)*. Wenn vor dem 10. Geschäftstag vor dem betreffenden Zinsfestlegungstag

(i) die Emittentin keinen Unabhängigen Berater ernannt hat; oder

(ii) der ernannte Unabhängige Berater keinen Neuen Benchmarksatz, keine Anpassungsspanne und/oder keine Benchmark-Änderungen (sofern erforderlich) gemäß diesem § 3 (4) festgelegt hat,

dann entspricht der Referenzsatz für die nächste Variable Zinsperiode dem an dem letzten, unmittelbar vor Eintritt des relevanten Stichtags liegenden Zinsfestlegungstag festgestellten Referenzsatz.

Sofern dieser § 3 (4) (b) bereits an dem Zinsfestlegungstag vor Beginn der ersten Variablen Zinsperiode angewendet werden muss, entspricht der Referenzsatz für die erste

Notes in accordance with § 3 (2) will be determined as follows:

(a) *Independent Adviser*. The Issuer shall, as soon as this is (in the Issuer's view) required following the occurrence of the Benchmark Event and prior to the next Interest Determination Date, use its best efforts to appoint an Independent Adviser (as defined in § 3 (4) (f)), who will determine a New Benchmark Rate (as defined in § 3 (4) (f)), the Adjustment Spread (as defined in § 3 (4) (f)) and any Benchmark Amendments (as defined in § 3 (4) (d).

(b) *Fallback rate*. If, prior to the 10th Business Day prior to the relevant Interest Determination Date,

(i) the Issuer has not appointed an Independent Adviser; or

(ii) the appointed Independent Adviser has not determined a New Benchmark Rate, has not determined the Adjustment Spread and/or has not determined any Benchmark Amendments (if required) in accordance with this § 3 (4),

then the Reference Rate applicable to the immediately following Floating Interest Period shall be the Reference Rate determined on the last Interest Determination Date immediately preceding the occurrence of the relevant Effective Date.

If this § 3 (4) (b) is to be applied on the Interest Determination Date prior to the commencement of the first Floating Interest Period, the Reference Rate applicable to the first

Variable Zinsperiode -0,03 % *per annum*.[3]

Sofern der gemäß diesem § 3 (4) (b) bestimmte Ausweichsatz (*Fallback*) zur Anwendung kommt, wird § 3 (4) erneut angewendet, um den Referenzsatz für die nächste nachfolgende (und, sofern notwendig, weitere nachfolgende) Variable Zinsperiode(n) zu bestimmen.

(c) *Nachfolge-Benchmarksatz oder Alternativ-Benchmarksatz*. Falls der Unabhängige Berater nach billigem Ermessen feststellt,

(i) dass es einen Nachfolge-Benchmarksatz gibt, dann ist dieser Nachfolge-Benchmarksatz der Neue Benchmarksatz; oder

(ii) dass es keinen Nachfolge-Benchmarksatz aber einen Alternativ-Benchmarksatz gibt, dann ist dieser Alternativ-Benchmarksatz der Neue Benchmarksatz.

In beiden Fällen entspricht der Referenzsatz für die unmittelbar nach dem Stichtag beginnende Variable Zinsperiode und (vorbehaltlich des Eintritts eines weiteren Benchmark-Ereignisses) alle folgenden Variablen Zinsperioden dann (x) dem Neuen Benchmarksatz an dem betreffenden Zinsfestlegungstag zuzüglich (y) der Anpassungsspanne.

(d) *Benchmark-Änderungen*. Wenn ein Neuer Benchmarksatz und die

Floating Interest Period shall be -0.03 per cent. *per annum*.[3]

If the fallback rate determined in accordance with this § 3 (4) (b) is to be applied, § 3 (4) will be operated again to determine the Reference Rate applicable to the next subsequent (and, if required, further subsequent) Floating Interest Period(s).

(c) *Successor Benchmark Rate or Alternative Benchmark Rate*. If the Independent Adviser determines in its reasonable discretion that:

(i) there is a Successor Benchmark Rate, then that Successor Benchmark Rate shall subsequently be the New Benchmark Rate; or

(ii) there is no Successor Benchmark Rate but that there is an Alternative Benchmark Rate, then that Alternative Benchmark Rate shall subsequently be the New Benchmark Rate.

In either case the Reference Rate for the Floating Interest Period commencing immediately after the Effective Date and (subject to the occurrence of a further Benchmark Event) all following Floating Interest Periods will then be (x) the New Benchmark Rate on the relevant Interest Determination Date plus (y) the Adjustment Spread.

(d) *Benchmark Amendments*. If any relevant New Benchmark Rate and

[3] Dieser Satz entspricht der (x) Summe aus der (im Zeitpunkt der Preisfestsetzung festgestellten) Reoffer-Rendite und dem moderaten Step-Up iHv 100 Basispunkten, welche Summe von einem *per annum* Satz (zahlbar jährlich nachträglich auf der Grundlage von Act/Act) auf einen *per annum* Satz (zahlbar vierteljährlich nachträglich auf der Grundlage von Act/360) umgerechnet wird; abzüglich (y) der oben definierten Marge. // This rate will be equal to (x) the sum of the re-offer yield (as determined at the time of pricing) and the moderate step-up of 100 basis points, which sum up is converted from a *per annum* rate (payable annually in arrear on an Act/Act basis) to a *per annum* rate (payable quarterly in arrear on an Act/360 basis); less (y) the margin as defined above.

entsprechende Anpassungsspanne gemäß diesem § 3 (4) festgelegt werden, und wenn der Unabhängige Berater feststellt, dass Änderungen der Bedingungen für die Feststellungen des anwendbaren Variablen Zinssatzes notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsspanne zu gewährleisten (diese Änderungen, die "**Benchmark-Änderungen**"), dann wird der Unabhängige Berater die Benchmark-Änderungen feststellen.

the applicable Adjustment Spread are determined in accordance with this § 3 (4), and if the Independent Adviser determines that amendments to the conditions for the determinations of the applicable Floating Rate of Interest are necessary to ensure the proper operation of the New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Independent Adviser will determine the Benchmark Amendments.

Diese Benchmark-Änderungen können insbesondere folgende Regelungen in diesen Anleihebedingungen erfassen:

The Benchmark Amendments may include, without limitation, the following provisions of these Terms and Conditions:

(i) den Referenzsatz einschließlich der "Bildschirmseite" und/oder (in Ersetzung von Absatz (a) der Definition des Begriffs "Referenzsatz" in § 3 (3) (a)) die Methode zur Bestimmung des Ausweichsatzes (sog. *Fallback*) für den Referenzsatz einschließlich des Referenzbankensatzes; und/oder

(1) the Reference Rate including the "Screen Page" and/or (in replacement of clause (a) of the definition of the term "Reference Rate" in § 3 (3) (a)) the method for determining the fallback rate in relation to the Reference Rate, including the Reference Bank Rate; and/or

(ii) die Definitionen der Begriffe "Geschäftstag", "Variabler Zinszahlungstag", "Variable Geschäftstagekonvention", "Variable Zinsperiode", "Variabler Zinstagequotient" und/oder "Zinsfestlegungstag" (einschließlich der Festlegung ob der Referenzsatz vorwärts- oder rückwärtsgerichtet bestimmt wird); und/oder

(2) the definitions of the terms "Business Day", "Floating Interest Payment Date", "Floating Business Day Convention", "Floating Interest Period", "Floating Day Count Fraction" and/or "Interest Determination Date" (including the determination whether the Reference Rate will be determined on a forward looking or a backward looking

(iii) die Geschäftstagekonvention gemäß § 5 (4).

(e) *Mitteilungen, etc*. Die Emittentin wird einen Neuen Benchmarksatz, die Anpassungsspanne und etwaige Benchmark-Änderungen gemäß diesem § 3 (4) bzw. den Ausweichsatz gemäß § 3 (3) (c) oder § 3 (4) (b) der Hauptzahlstelle, den Zahlstellen, der Berechnungsstelle sowie gemäß § 12 den Gläubigern mitteilen, und zwar sobald eine solche Mitteilung (nach Ansicht der Emittentin) nach deren Feststellung erforderlich ist, spätestens jedoch an dem 10. Geschäftstag vor dem betreffenden Zinsfestlegungstag. Eine solche Mitteilung ist unwiderruflich und hat den Stichtag zu benennen.

Der Neue Benchmarksatz, die Anpassungsspanne und etwaige Benchmark-Änderungen bzw. der Ausweichsatz, die bzw. der jeweils in der Mitteilung benannt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Hauptzahlstelle, die Zahlstellen, die Berechnungsstelle und die Gläubiger bindend. Die Anleihebedingungen gelten ab dem Stichtag als durch den Neuen Benchmarksatz, die Anpassungsspanne und die etwaigen Benchmark-Änderungen geändert.

An oder vor dem Tag dieser Mitteilung hat die Emittentin der Hauptzahlstelle und der Berechnungsstelle eine durch zwei Unterschriftsberechtigte der Emittentin unterzeichnete Bescheinigung zu überlassen, die

basis); and/or

(3) the business day convention in § 5 (4).

(e) *Notices, etc*. The Issuer will notify the Principal Paying Agent, the Paying Agents, the Calculation Agent and, in accordance with § 12, the Holders of a New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3 (4) or the fallback rate in accordance with § 3 (3) (c) or § 3 (4) (b), as the case may be, as soon as such notification is (in the Issuer's view) required following the determination thereof, but in any event not later than on the 10th Business Day prior to the relevant Interest Determination Date. Any such notice shall be irrevocable and shall specify the Effective Date.

The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) or the fallback rate, as the case may be, each as specified in the notice, shall (in the absence of manifest error) be binding on the Issuer, the Principal Paying Agent, the Paying Agents, the Calculation Agent and the Holders. The Terms and Conditions shall be deemed to have been amended by the New Benchmark Rate, the Adjustment Spread and any Benchmark Amendments with effect from the Effective Date.

On or prior to the date of such notice, the Issuer shall deliver to the Principal Paying Agent and the Calculation Agent a certificate signed by two authorized signatories of the Issuer:

(i)

(A) bestätigt, dass ein Benchmark-Ereignis eingetreten ist;

(B) den nach Maßgabe der Bestimmungen dieses § 3 (4) festgestellten Neuen Benchmarksatz benennt;

(C) die entsprechende Anpassungsspanne und etwaige Benchmark-Änderungen benennt, die jeweils nach Maßgabe der Bestimmungen dieses § 3 (4) festgestellt wurden; und

(D) den Stichtag benennt; und

(ii) bestätigt, dass die etwaigen Benchmark-Änderungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsspanne zu gewährleisten.

(f) *Bestimmte Definitionen*.

Die "**Anpassungsspanne**", die positiv, negativ oder gleich Null sein kann, wird in Basispunkten ausgedrückt und bezeichnet entweder (x) die Spanne oder (y) das Ergebnis der Anwendung der Formel oder Methode zur Berechnung der Spanne, die

(i) im Fall eines Nachfolge-Benchmarksatzes formell im Zusammenhang mit der Ersetzung des Ursprünglichen Benchmarksatzes durch den Nachfolge-Benchmarksatz von dem Nominierungsgremium empfohlen wird; oder

(i)

(A) confirming that a Benchmark Event has occurred;

(B) specifying the relevant New Benchmark Rate determined in accordance with the provisions of this § 3 (4);

(C) specifying the applicable Adjustment Spread and the Benchmark Amendments (if any), each determined in accordance with the provisions of this § 3 (4); and

(D) specifying the Effective Date; and

(ii) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of the New Benchmark Rate and the applicable Adjustment Spread.

(f) *Certain Definitions*.

The "**Adjustment Spread**", which may be positive, negative or zero, will be expressed in basis points and means either (x) the spread, or (y) the result of the operation of the formula or methodology for calculating the spread, which

(1) in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Initial Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or

(ii) (sofern keine Empfehlung gemäß Absatz (i) abgegeben wurde oder im Fall eines Alternativ-Benchmarksatzes) üblicherweise an den internationalen Anleihekapitalmärkten auf den Neuen Benchmarksatz angewendet wird, um einen industrieweit akzeptierten Ersatz-Benchmarksatz für den Ursprünglichen Benchmarksatz zu erzeugen, wobei sämtliche Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden; oder

(ii) (if no recommendation pursuant to clause (i) has been made, or in the case of an Alternative Benchmark Rate) is customarily applied to the New Benchmark Rate in the international debt capital markets to produce an industry-accepted replacement benchmark rate for the Initial Benchmark Rate, provided that all determinations will be made by the Independent Adviser in its reasonable discretion; or

(iii) (sofern der Unabhängige Berater nach billigem Ermessen feststellt, dass keine solche Spanne üblicherweise angewendet wird, und dass das Folgende für die Schuldverschreibungen angemessen ist) als industrieweiter Standard für Over-the-Counter Derivatetransaktionen, die sich auf den Ursprünglichen Benchmarksatz beziehen, anerkannt oder bestätigt ist, wenn der Ursprüngliche Benchmarksatz durch den Neuen Benchmarksatz ersetzt worden ist, wobei sämtliche Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden.

(iii) (if the Independent Adviser in its reasonable discretion determines that no such spread is customarily applied and that the following would be appropriate for the Notes) is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Initial Benchmark Rate, where the Initial Benchmark Rate has been replaced by the New Benchmark Rate, provided that all determinations will be made by the Independent Adviser in its reasonable discretion.

"**Alternativ-Benchmarksatz**" bezeichnet eine alternative Benchmark oder einen alternativen Bildschirmsatz, die bzw. der üblicherweise an den internationalen

"**Alternative Benchmark Rate**" means an alternative benchmark or an alternative screen rate which is customarily applied in the international debt capital markets for

Anleihekapitalmärkten zur Bestimmung von variablen Zinssätzen in der Festgelegten Währung angewendet wird, wobei sämtliche Feststellungen durch den Unabhängigen Berater vorgenommen werden.

the purpose of determining floating rates of interest in the Specified Currency, provided that all determinations will be made by the Independent Adviser.

Ein "**Benchmark-Ereignis**" tritt ein, wenn:

A "**Benchmark Event**" occurs if:

(i) eine öffentliche Erklärung oder eine Veröffentlichung von Informationen durch oder im Namen der für den Administrator des Ursprünglichen Benchmarksatzes zuständigen Aufsichtsbehörde vorgenommen wird, aus der hervorgeht, dass dieser Administrator die Bereitstellung des Ursprünglichen Benchmarksatzes dauerhaft oder auf unbestimmte Zeit eingestellt hat oder einstellen wird, es sei denn, es gibt einen Nachfolgeadministrator, der den Ursprünglichen Benchmarksatz weiterhin bereitstellt; oder

(i) a public statement or publication of information by or on behalf of the regulatory supervisor of the Initial Benchmark Rate administrator is made, stating that said administrator has ceased or will cease to provide the Initial Benchmark Rate permanently or indefinitely, unless there is a successor administrator that will continue to provide the Initial Benchmark Rate; or

(ii) eine öffentliche Erklärung oder eine Veröffentlichung von Informationen durch oder im Namen des Administrators des Ursprünglichen Benchmarksatzes vorgenommen wird, die besagt, dass der Administrator die Bereitstellung des Ursprünglichen Benchmarksatzes dauerhaft oder auf unbestimmte Zeit eingestellt hat oder einstellen wird, es sei denn, es gibt einen Nachfolgeadministrator, der

(ii) a public statement or publication of information by or on behalf of the Initial Benchmark Rate administrator is made, stating that said administrator has ceased or will cease to provide the Initial Benchmark Rate permanently or indefinitely, unless there is a successor administrator that will continue to provide the Initial Benchmark Rate; or

den Ursprünglichen Benchmarksatz weiterhin bereitstellt; oder

(iii) eine öffentliche Erklärung der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes veröffentlicht wird, wonach der Ursprüngliche Benchmarksatz ihrer Ansicht nach nicht mehr repräsentativ für den zugrunde liegenden Markt, den er zu messen vorgibt, ist oder sein wird, und keine von der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes geforderten Maßnahmen zur Behebung einer solchen Situation ergriffen worden sind oder zu erwarten sind; oder

(iii) a public statement by the regulatory supervisor of the Initial Benchmark Rate administrator is made that, in its view, the Initial Benchmark Rate is no longer, or will no longer be, representative of the underlying market it purports to measure and no action to remediate such a situation is taken or expected to be taken as required by the supervisor of the Initial Benchmark Rate administrator; or

(iv) die Verwendung des Ursprünglichen Benchmarksatzes aus irgendeinem Grund nach einem Gesetz oder einer Verordnung, die in Bezug auf die Hauptzahlstelle, die Zahlstellen, die Berechnungsstelle, die Emittentin oder jeden Dritten anwendbar sind, rechtswidrig geworden ist; oder

(iv) it has become, for any reason, unlawful under any law or regulation applicable to the Principal Paying Agent, any Paying Agent, the Calculation Agent, the Issuer or any other party to use the Initial Benchmark Rate; or

(v) der Ursprüngliche Benchmarksatz ohne vorherige offizielle Ankündigung durch die zuständige Behörde oder den Administrator dauerhaft nicht mehr veröffentlicht wird; oder

(v) the Initial Benchmark Rate is permanently no longer published without a previous official announcement by the competent authority or the administrator; or

(vi) eine wesentliche Änderung der Methodologie des

(vi) a material change is made to the Initial Benchmark Rate

Ursprünglichen Benchmarksatzes vorgenommen wird.

methodology.

"**Nachfolge-Benchmarksatz**" bezeichnet einen Nachfolger oder Ersatz des Ursprünglichen Benchmarksatzes, der formell durch das Nominierungsgremium empfohlen wurde.

"**Successor Benchmark Rate**" means a successor to or replacement of the Initial Benchmark Rate which is formally recommended by any Relevant Nominating Body.

"**Neuer Benchmarksatz**" bezeichnet den jeweils gemäß diesem § 3 (4) bestimmten Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz.

"**New Benchmark Rate**" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with this § 3 (4).

"**Nominierungsgremium**" bezeichnet in Bezug auf die Ersetzung des Ursprünglichen Benchmarksatzes:

"**Relevant Nominating Body**" means, in respect of the replacement of the Initial Benchmark Rate:

(i) die Zentralbank für die Währung, in der die Benchmark oder der Bildschirmsatz dargestellt wird, oder eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist; oder

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) jede Arbeitsgruppe oder jeden Ausschuss gefördert durch, geführt oder mitgeführt von oder gebildet von (A) der Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird, (B) einer Zentralbank oder anderen Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist, (C) einer Gruppe der zuvor genannten Zentralbanken oder anderer Aufsichtsbehörden oder (D)

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (C) a group of the aforementioned central banks or other supervisory authorities

dem Finanzstabilitätsrat (*Financial Stability Board*) oder Teilen davon.

"**Unabhängiger Berater**" bezeichnet ein von der Emittentin ernanntes unabhängiges Finanzinstitut mit internationalem Ansehen oder einen anderen unabhängigen Finanzberater mit Erfahrung in den internationalen Anleihekapitalmärkten.

(g) Der Stichtag für die Anwendung des Neuen Benchmarksatzes, der Anpassungsspanne und der etwaigen Benchmark-Änderungen gemäß diesem § 3 (4) (der "**Stichtag**") ist der Zinsfestlegungstag, der auf den frühesten der folgenden Tage fällt oder diesem nachfolgt:

(i) den Tag, an dem die Veröffentlichung des Ursprünglichen Benchmarksatzes eingestellt wird, an dem der Ursprüngliche Benchmarksatz eingestellt wird bzw. ab dem der Ursprüngliche Benchmarksatz nicht mehr repräsentativ ist oder sein wird, wenn das Benchmark-Ereignis aufgrund der Absätze (i), (ii) bzw. (iii) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

(ii) den Tag, ab dem der Ursprüngliche Benchmarksatz nicht mehr verwendet werden darf, wenn das Benchmark-Ereignis aufgrund des Absatzes (iv) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

(iii) den Tag des Eintritts des Benchmark-Ereignisses, wenn das Benchmark-Ereignis

or (D) the Financial Stability Board or any part thereof.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer.

(g) The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3 (4) (the "**Effective Date**") will be the Interest Determination Date falling on or after the earliest of the following dates:

(i) if the Benchmark Event has occurred as a result of clauses (i), (ii) or (iii) of the definition of the term "Benchmark Event", the date of cessation of publication of the Initial Benchmark Rate, the date of the discontinuation of the Initial Benchmark Rate or the date as from which the Initial Benchmark Rate is no longer, or will no longer be, representative, as the case may be; or

(ii) if the Benchmark Event has occurred as a result of clause (iv) of the definition of the term "Benchmark Event", the date from which the prohibition applies; or

(iii) if the Benchmark Event has occurred as a result of clauses (v) or (vi) of the definition of the

aufgrund der Absätze (v) oder (vi) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist.

term "Benchmark Event", the date of the occurrence of the Benchmark Event.

(h) Wenn ein Benchmark-Ereignis in Bezug auf einen Neuen Benchmarksatz eintritt, gilt dieser § 3 (4) entsprechend für die Ersetzung des Neuen Benchmarksatzes durch einen neuen Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz. In diesem Fall gilt jede Bezugnahme in diesem § 3 auf den Begriff Ursprünglicher Benchmarksatz als Bezugnahme auf den zuletzt verwendeten Neuen Benchmarksatz.

(h) If a Benchmark Event occurs in relation to any New Benchmark Rate, § 3 (4) shall apply *mutatis mutandis* to the replacement of such New Benchmark Rate by any new Successor Benchmark Rate or Alternative Benchmark Rate, as the case may be. In this case, all references in this § 3 to the term Initial Benchmark Rate shall be deemed to be a reference to the New Benchmark Rate last applied.

(i) In diesem § 3 (4) schließt jede Bezugnahme auf den Begriff "Ursprünglicher Benchmarksatz" gegebenenfalls auch eine Bezugnahme auf eine etwaige Teilkomponente des Ursprünglichen Benchmarksatzes ein, wenn in Bezug auf diese Teilkomponente ein Benchmark-Ereignis eingetreten ist.

(i) Any reference in this § 3 (4) to the term "Initial Benchmark Rate" shall be deemed to include a reference to any component part thereof, as applicable, if a Benchmark Event has occurred in respect of that component part.

(5) *Variabler Zinsbetrag*. Die Berechnungsstelle wird an oder unverzüglich nach jedem Zinsfestlegungstag den auf die Schuldverschreibungen zur Zahlung vorgesehenen variablen Zinsbetrag bezogen auf jeden Festgelegten Nennbetrag (der "**Variable Zinsbetrag**") für die entsprechende Variable Zinsperiode berechnen. Der Variable Zinsbetrag wird ermittelt, indem der Variable Zinssatz und der Variable Zinstagequotient (wie nachstehend definiert) auf jeden Festgelegten Nennbetrag angewendet werden, wobei der resultierende Betrag auf den nächsten EUR 0,01 auf- oder abgerundet wird, wobei EUR 0,005 aufgerundet werden.

(5) *Floating Interest Amount*. The Calculation Agent will, on or without undue delay after each Interest Determination Date, calculate the amount of floating interest (the "**Floating Interest Amount**") scheduled to be paid on the Notes in respect of each Specified Denomination for the relevant Floating Interest Period. Each Floating Interest Amount shall be calculated by applying the Floating Rate of Interest and the Floating Day Count Fraction (as defined below) to each Specified Denomination and rounding the resulting figure to the nearest EUR 0.01, EUR 0.005 being rounded upwards.

"**Variabler Zinstagequotient**" bezeichnet bei der Berechnung des Variablen Zinsbetrages für einen beliebigen Zeitraum die tatsächliche Anzahl der Tage im Variablen Zinsberechnungszeitraum dividiert durch 360.

"**Floating Day Count Fraction**" means in respect of the calculation of the Floating Interest Amount for any period of time the actual number of days in the Floating Calculation Period divided by 360.

(6) *Mitteilungen*. Die Berechnungsstelle wird veranlassen, dass (i) der Emittentin, der/den Zahlstelle(n) und den Gläubigern (gemäß § 12 (1)) und (ii) jeder Börse, an der die betreffenden Schuldverschreibungen auf Veranlassung der Emittentin zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, der Variable Zinssatz, der Variable Zinsbetrag für die jeweilige Variable Zinsperiode, die relevante Variable Zinsperiode und der relevante Variable Zinszahlungstag unverzüglich, aber keinesfalls später als am ersten Tag der jeweiligen Variablen Zinsperiode mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Variablen Zinsperiode können der mitgeteilte Variable Zinsbetrag und Variable Zinszahlungstag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen maßgeblichen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt auf Veranlassung der Emittentin notiert sind, sowie den Gläubigern gemäß § 12 (1) mitgeteilt.

(6) *Notifications*. The Calculation Agent shall procure that (i) the Issuer, the Paying Agent(s) and the Holders (in accordance with § 12 (1)) and (ii) if required by the rules of any stock exchange on which the Notes are listed from time to time at the request of the Issuer, such stock exchange, will be notified of the Floating Rate of Interest, the Floating Interest Amount for the relevant Floating Interest Period, the relevant Floating Interest Period and the relevant Floating Interest Payment Date without undue delay (*unverzüglich*), but in no event later than the first day of the relevant Floating Interest Period. Each Floating Interest Amount and Floating Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Interest Period. Any such amendment will be notified to any relevant stock exchange on which the Notes are then listed at the initiative of the Issuer and to the Holders in accordance with § 12 (1) without undue delay.

(7) *Verbindlichkeit der Festsetzungen*. Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, jede Zahlstelle und die Gläubiger bindend.

(7) *Determinations are Binding*. All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, each Paying Agent and the Holders.

(8) *Fälligkeit von Zinszahlungen; wahlweiser und zwingender Aufschub von Zinszahlungen.*

(a) Zinsen, die während einer Zinsperiode auflaufen, werden an dem Zinszahlungstag für diese Zinsperiode wie folgt fällig:

(i) Wenn in den letzten 6 Monaten vor dem betreffenden Zinszahlungstag ein Dividendenereignis (wie nachstehend definiert) eingetreten ist, werden diese Zinsen an diesem Zinszahlungstag fällig, sofern kein Pflichtaufschubereignis in Bezug auf diesen Zinszahlungstag eingetreten ist.

(ii) Wenn in den letzten 6 Monaten vor dem betreffenden Zinszahlungstag kein Dividendenereignis (wie nachstehend definiert) eingetreten ist, werden diese Zinsen an diesem Zinszahlungstag fällig, sofern kein Pflichtaufschubereignis in Bezug auf diesen Zinszahlungstag eingetreten ist, und sofern sich die Emittentin nicht dazu entscheidet, die betreffende Zinszahlung (insgesamt oder teilweise) aufzuschieben.

Wenn die Emittentin von dem Recht, Zinsen aufzuschieben, Gebrauch macht, wird die Emittentin sich bemühen, dies spätestens an dem betreffenden Zinszahlungstag gemäß § 12 mitzuteilen.

Ein Unterlassen der Mitteilung berührt jedoch nicht die Wirksamkeit des Aufschubs der Zinszahlung und stellt in keinem Fall eine Pflichtverletzung dar. Sollte die Emittentin die Mitteilung nicht bis zum betreffenden Zinszahlungstag veröffentlicht haben, hat sie diese unverzüglich nachzuholen.

(8) *Due date for interest payments; optional and compulsory deferral of interest payments.*

(a) Interest which accrues during an Interest Period will be due and payable (*fällig*) on the Interest Payment Date for such Interest Period as follows:

(i) If during the six months before the relevant Interest Payment Date a Dividend Payment Event (as defined below) has occurred, the interest will be due and payable (*fällig*) on such Interest Payment Date, provided that no Compulsory Deferral Event has occurred with respect to such Interest Payment Date.

(ii) If during the six months before the relevant Interest Payment Date no Dividend Payment Event (as defined below) has occurred, the interest will be due and payable (*fällig*) on such Interest Payment Date, provided that no Compulsory Deferral Event has occurred with respect to such Interest Payment Date, and that the Issuer does not elect to defer the relevant payment of interest (in whole or in part).

If the Issuer exercises the right to defer interest, it shall endeavor to give notice thereof in accordance with § 12 no later than on the relevant Interest Payment Date.

Any failure to give such notice, however, shall not affect the validity of the decision on the deferral of interest and shall not constitute a default for any purpose. If the Issuer has not given such notice prior to or on the relevant Interest Payment Date, it shall give it without undue delay thereafter.

Wenn sich die Emittentin entschieden hat, aufgelaufene Zinsen (insgesamt oder teilweise) wahlweise aufzuschieben, dann ist sie nicht verpflichtet, an dem betreffenden Zinszahlungstag aufgelaufene Zinsen zu zahlen bzw. ist sie nur verpflichtet, den Teil der aufgelaufenen Zinsen zu leisten, für dessen Aufschiebung sie sich nicht entschieden hat. Eine Nichtzahlung von Zinsen aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.

If the Issuer elects to defer accrued interest (in whole or in part), then it will not have any obligation to pay accrued interest on such Interest Payment Date or will only be obliged to pay such part of the accrued interest it elects not to defer, respectively. Any such failure to pay interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

(iii) Wenn in Bezug auf einen Zinszahlungstag ein Pflichtaufschubereignis eingetreten ist, werden Zinsen an diesem Zinszahlungstag nicht fällig. Eine Nichtzahlung von Zinsen aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.

(iii) If a Compulsory Deferral Event has occurred with respect to an Interest Payment Date, interest will not be due and payable (*fällig*) on that Interest Payment Date. Any such failure to pay interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

Wenn in Bezug auf einen Zinszahlungstag ein Pflichtaufschubereignis eingetreten ist, wird die Emittentin sich bemühen, dies den Gläubigern sobald wie möglich nach seiner Feststellung, spätestens jedoch an dem betreffenden Zinszahlungstag gemäß § 12 mitzuteilen.

If a Compulsory Deferral Event has occurred with respect to an Interest Payment Date, it shall endeavor to give notice thereof to the Holders in accordance with § 12 as soon as practicable but no later than on the relevant Interest Payment Date.

Ein Unterlassen der Mitteilung berührt die Wirksamkeit des zwingenden Aufschubs der Zinszahlung nicht und stellt in keinem Fall eine Pflichtverletzung dar. Sollte die Emittentin die Mitteilung nicht bis zum

Any failure to give such notice shall not affect the validity of the compulsory deferral of the interest payment and shall not constitute a default for any purpose. If the Issuer has not given such notice prior to or

betreffenden Zinszahlungstag veröffentlicht haben, hat sie diese unverzüglich nachzuholen.

(b) Nach Maßgabe des § 3 (8) (a) nicht fällig gewordene aufgelaufene Zinsen für eine Zinsperiode sind Zinsrückstände (die "**Zinsrückstände**").

Zinsrückstände werden nicht verzinst.

(c) *Bestimmte Definitionen.*

"**Anwendbare Aufsichtsrechtliche Anforderungen**" bezeichnet die Vorschriften des Versicherungsaufsichtsrechts, die hinsichtlich der Solo-Solvabilität und der Gruppen-Solvabilität jeweils in dem betreffenden Zeitpunkt anwendbar sind (zur Klarstellung: unter Einschluss etwaiger Übergangsbestimmungen), und darauf bezogene, die Emittentin und/oder die Gruppe und/oder eine Gesellschaft der Gruppe betreffende Regelungen und Verordnungen sowie Beschlüsse und sonstige Entscheidungen der Zuständigen Aufsichtsbehörde und sonstige Anforderungen (einschließlich der Verwaltungspraxis der Zuständigen Aufsichtsbehörde und einschlägiger Gerichtsentscheidungen).

"**Dividendenereignis**" bezeichnet jedes der folgenden Ereignisse:

(i) auf der ordentlichen Hauptversammlung der Emittentin wird eine Dividende, sonstige Ausschüttung oder Zahlung auf eine beliebige Gattung von Aktien der Emittentin wirksam beschlossen; oder

(ii) die Emittentin leistet eine Abschlagszahlung auf den Bilanzgewinn.

"**Gruppe**" bezeichnet nach Maßgabe der Anwendbaren Aufsichtsrechtlichen Anforderungen die Gruppe der

on the relevant Interest Payment Date, it shall give it without undue delay thereafter.

(b) Accrued interest in respect of an Interest Period not due and payable in accordance with § 3 (8) (a) will constitute arrears of interest ("**Arrears of Interest**").

Arrears of Interest will not bear interest.

(c) *Certain Definitions*.

"**Applicable Supervisory Requirements**" means the provisions of insurance regulation law as applicable at the relevant point in time to the solo solvency and the group solvency (for the avoidance of doubt, including any transitional rules), and any related provisions and regulations, resolutions or other decisions of the Competent Supervisory Authority and other requirements (including the regulatory practice of the Competent Supervisory Authority and relevant case law) affecting the Issuer and/or the Group and/or any member of the Group.

"**Dividend Payment Event**" means any of the following events:

(i) the ordinary general meeting of shareholders (*ordentliche Hauptversammlung*) of the Issuer validly resolves on any dividend, other distribution or payment in respect of any class of shares of the Issuer; or

(ii) any payment on account of the balance sheet profit is made by the Issuer.

"**Group**" means the group of undertakings in accordance with the Applicable Supervisory Requirements of which Wüstenrot &

Unternehmen, deren oberstes Mutterunternehmen die Wüstenrot & Württembergische AG ist.

Württembergische AG is the ultimate parent undertaking.

"**Gruppen MCR**" bezeichnet (i) die nach den Anwendbaren Aufsichtsrechtlichen Anforderungen für die Gruppe geltende konsolidierte Mindestsolvenzkapital-anforderung (unabhängig von der in den Anwendbaren Aufsichtsrechtlichen Anforderungen gewählten Bezeichnung) oder (ii) (wenn anwendbar) eine künftig für die Gruppe geltende Kapitalanforderung, welche die Kapitalanforderung nach (i) gemäß den dann Anwendbaren Aufsichtsrechtlichen Anforderungen funktional für die relevanten Zwecke ersetzt.

"**Group MCR**" means (i) the minimum consolidated group solvency capital requirement (regardless of the terminology used by the Applicable Supervisory Requirements) applicable to the Group pursuant to the Applicable Supervisory Requirements, or (ii) (as and when applicable) a capital requirement as applicable to the Group in the future, which functionally replaces the capital requirement referred to in (i) pursuant to the Applicable Supervisory Requirements for the relevant purposes at that time.

"**Gruppen SCR**" bezeichnet die nach den Anwendbaren Aufsichtsrechtlichen Anforderungen für die Gruppe geltende Gruppensolvenzkapitalanforderung (unabhängig von der in den Anwendbaren Aufsichtsrechtlichen Anforderungen gewählten Bezeichnung).

"**Group SCR**" means the group solvency capital requirement applicable to the Group pursuant to the Applicable Supervisory Requirements (regardless of the terminology used by the Applicable Requirements Regulations).

Ein "**Pflichtaufschubereignis**" ist in Bezug auf einen Tag, an dem eine Zahlung von Zinsen und/oder Zinsrückständen auf die Schuldverschreibungen gemäß diesen Anleihebedingungen vorgesehen ist, eingetreten, wenn

A "**Compulsory Deferral Event**" will have occurred with respect to the date on which any payment of interest and/or Arrears of Interest on the Notes is scheduled to be paid under these Terms and Conditions if

(i) entweder ein an oder vor diesem Tag eingetretenes Insolvenzereignis an diesem Tag fortbesteht oder die betreffende Zahlung ein Insolvenzereignis auslösen oder dessen Eintritt beschleunigen würde; oder

(i) either an Insolvency Event that has occurred on or prior to such date is continuing on such date or the relevant payment would result in, or accelerate, the occurrence of an Insolvency Event; or

(ii) an diesem Tag eine Anordnung der Zuständigen Aufsichtsbehörde in Kraft ist, die der Emittentin untersagt, Zahlungen auf die Schuldverschreibungen zu leisten, oder ein anderes gesetzliches oder behördliches Zahlungsverbot in

(ii) there is in effect on such date an order of the Competent Supervisory Authority prohibiting the Issuer from making payments under the Notes, or there is in effect on such date any other payment prohibition in respect of the Notes, whether by statute or by

Bezug auf die Schuldverschreibungen besteht; oder

(iii) entweder ein an oder vor diesem Tag eingetretenes Solvenzkapitalereignis an dem betreffenden Tag fortbesteht oder die betreffende Zahlung ein Solvenzkapitalereignis auslösen oder dessen Eintritt beschleunigen würde, es sei denn, die nach den Anwendbaren Aufsichtsrechtlichen Anforderungen geltenden Bedingungen für eine ausnahmsweise Zulassung der Zahlung von Zinsen und/oder Zinsrückständen sind an diesem Tag erfüllt. Am Tag der Begebung der Schuldverschreibungen setzt dies voraus, dass

(A) die Zuständige Aufsichtsbehörde in Kenntnis des Eintritts eines noch fortbestehenden Solvenzkapitalereignisses ihre Zustimmung zu der Zahlung der betreffenden Zinsen und/oder der Zinsrückstände auf die Schuldverschreibungen erteilt und bis zu diesem Tag nicht widerrufen hat; und

(B) die Solvabilität der Emittentin und der Gruppe durch die Zahlung der betreffenden Zinsen und/oder Zinsrückstände auf die Schuldverschreibungen nicht weiter geschwächt wird; und

(C) die anwendbare Solo MCR und die anwendbare Gruppen MCR nach der betreffenden Zahlung von Zinsen und/oder Zinsrückständen auf die Schuldverschreibungen eingehalten werden.

order of any authority; or

(iii) either a Solvency Capital Event that has occurred on or prior to such date is continuing on such date or the relevant payment would result in, or accelerate, the occurrence of a Solvency Capital Event, unless the conditions under the Applicable Supervisory Requirements for the exceptional permission of the payment of the relevant interest and/or Arrears of Interest are met on the relevant date. At the date of issue of the Notes this requires that

(A) the Competent Supervisory Authority, being aware of the occurrence of a Solvency Capital Event that is continuing, has given, and not withdrawn by such date, its consent (*Zustimmung*) to the payment of the relevant interest and/or Arrears of Interest; and

(B) the solvency position of the Issuer and the Group would not be further weakened by the payment of such interest and/or Arrears of Interest on the Notes; and

(C) the applicable Solo MCR and the applicable Group MCR are met after the relevant payment of interest and/or Arrears of Interest on the Notes.

"**Solo MCR**" bezeichnet die nach den Anwendbaren Aufsichtsrechtlichen Anforderungen für die Emittentin auf individueller Ebene geltende Mindestkapitalanforderung (unabhängig von der in den Anwendbaren Aufsichtsrechtlichen Anforderungen gewählten Bezeichnung).

"**Solo MCR**" means the minimum capital requirement applicable to the Issuer on an individual basis pursuant to the Applicable Supervisory Requirements (regardless of the terminology used by the Applicable Supervisory Requirements).

"**Solo SCR**" bezeichnet die nach den Anwendbaren Aufsichtsrechtlichen Anforderungen für die Emittentin auf individueller Ebene geltende Solvenzkapitalanforderung (unabhängig von der in den Anwendbaren Aufsichtsrechtlichen Anforderungen gewählten Bezeichnung).

"**Solo SCR**" means the solvency capital requirement applicable to the Issuer on an individual basis pursuant to the Applicable Supervisory Requirements (regardless of the terminology used by the Applicable Supervisory Requirements).

Ein "**Solvenzkapitalereignis**" ist eingetreten, wenn

A "**Solvency Capital Event**" shall have occurred if

(i) der Betrag der Eigenmittel der Emittentin (unabhängig von der in den Anwendbaren Aufsichtsrechtlichen Anforderungen gewählten Bezeichnung) nicht ausreicht, um die anwendbare Solo SCR oder die anwendbare Solo MCR der Emittentin zu bedecken; und/oder

(i) the amount of own funds (*Eigenmittel*) (regardless of the terminology used by the Applicable Supervisory Requirements) of the Issuer is not sufficient to cover the applicable Solo SCR or the applicable Solo MCR of the Issuer; and/or

(ii) der Betrag der Eigenmittel der Gruppe (unabhängig von der in den Anwendbaren Aufsichtsrechtlichen Anforderungen gewählten Bezeichnung) nicht ausreicht, um die anwendbare Gruppen SCR oder die anwendbare Gruppen MCR zu bedecken;

(ii) the amount of own funds (*Eigenmittel*) of the Group (regardless of the terminology used by the Applicable Supervisory Requirements) is not sufficient to cover the applicable Group SCR or the applicable Group MCR;

in jedem Fall gemäß den im betreffenden Zeitpunkt Anwendbaren Aufsichtsrechtlichen Anforderungen.

in each case as applicable at the relevant time pursuant to the Applicable Supervisory Requirements.

"**Zinsperiode**" bezeichnet jede Festzins-Zinsperiode und jede Variable Zinsperiode.

"**Interest Period**" means each Fixed Interest Period and each Floating Interest Period.

"**Zinszahlungstag**" bezeichnet jeden Festzins-Zinszahlungstag und jeden Variablen Zinszahlungstag.

"**Interest Payment Date**" means each Fixed Interest Payment Date and each Floating Interest Payment Date.

"**Zuständige Aufsichtsbehörde**" ist die

"**Competent Supervisory Authority**"

Bundesanstalt für Finanzdienstleistungsaufsicht bzw. jede Behörde, die ihr Funktionsnachfolger wird.

means the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) or any authority that becomes its successor in such capacity.

(9) *Nachzahlung von Zinsrückständen*.

(9) *Payment of Arrears of Interest*.

(a) *Freiwillige Nachzahlung von Zinsrückständen*. Die Emittentin ist berechtigt, ausstehende Zinsrückstände jederzeit (insgesamt oder teilweise) nachzuzahlen, wenn die Nachzahlungsvoraussetzungen (wie nachstehend definiert) in Bezug auf diese Zahlung erfüllt sind.

(a) *Optional payment of Arrears of Interest*. The Issuer will be entitled to pay outstanding Arrears of Interest (in whole or in part) at any time if the Conditions to Settlement (as defined below) are met with respect to such payment.

Wenn sich die Emittentin dazu entscheidet, ausstehende Zinsrückstände (insgesamt oder teilweise) nachzuzahlen, hat sie dies den Gläubigern gemäß § 12 unter Einhaltung einer Frist von nicht weniger als fünf Geschäftstagen mitzuteilen, wobei eine solche Mitteilung (i) den Betrag an Zinsrückständen, der gezahlt werden soll, und (ii) den für diese Zahlung festgelegten Tag (der "**Freiwillige Nachzahlungstag**") benennen muss.

If the Issuer elects to pay outstanding Arrears of Interest (in whole or in part), it will give not less than five Business Days' notice to the Holders in accordance with § 12 which notice will specify (i) the amount of Arrears of Interest to be paid and (ii) the date fixed for such payment (the "**Optional Settlement Date**").

Wenn an dem Freiwilligen Nachzahlungstag die Nachzahlungsvoraussetzungen (wie nachstehend definiert) in Bezug auf die betreffende Zahlung erfüllt sind, wird der in der Mitteilung angegebene Betrag an Zinsrückständen am angegebenen Freiwilligen Nachzahlungstag vorbehaltlich der Bestimmungen des § 3 (9) (c) fällig und ist die Emittentin verpflichtet, diesen Betrag an Zinsrückständen am Freiwilligen Nachzahlungstag zu zahlen.

If, on the Optional Settlement Date, the Conditions to Settlement (as defined below) are met with respect to the relevant payment, the amount of Arrears of Interest specified in such notice will, subject to the limitations as set forth in § 3 (9) (c) below, become due and payable (*fällig*), and the Issuer will be obliged to pay such amount of Arrears of Interest on the Optional Settlement Date.

Die "**Nachzahlungsvoraussetzungen**" sind an einem Tag in Bezug auf eine Zahlung von Zinsrückständen erfüllt, wenn an diesem Tag kein Pflichtaufschubereignis eingetreten ist und fortbesteht.

The "**Conditions to Settlement**" are met on a day with respect to any payment of Arrears of Interest if on such day no Compulsory Deferral Event has occurred and is continuing.

(b) *Pflicht zur Nachzahlung von Zinsrückständen*. Die Emittentin ist

(b) *Compulsory payment of Arrears of Interest*. The Issuer must pay Arrears of Interest on

verpflichtet, Zinsrückstände am nächsten Pflichtnachzahlungstag nachzuzahlen.

"**Pflichtnachzahlungstag**" bezeichnet den früheren der folgenden Tage:

(i) für Zinsrückstände, die vor dem Eintritt eines Dividendenereignisses entstanden sind, den nächsten Zinszahlungstag, der auf den Tag folgt, an dem das Dividendenereignis eingetreten ist, und an dem die Nachzahlungsvoraussetzungen erfüllt sind;

(ii) den Tag, an dem die Schuldverschreibungen gemäß § 4 (1), § 4 (2) oder § 4 (3) zur Rückzahlung fällig werden; und

(iii) den Tag, an dem eine Verfügung zur Auflösung, Abwicklung oder Liquidation der Emittentin ergeht (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem bzw. bei der die Emittentin noch zahlungsfähig ist und bei dem bzw. bei der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt).

(c) Falls an einem Freiwilligen Nachzahlungstag oder einem Pflichtnachzahlungstag die Nachzahlungsvoraussetzungen nicht erfüllt sind, werden Zinsrückstände, deren Zahlung an diesem Tag vorgesehen war, an dem betreffenden Freiwilligen Nachzahlungstag oder Pflichtnachzahlungstag nicht fällig, sondern bleiben ausstehend und werden weiterhin als Zinsrückstände behandelt, die erst dann fällig werden, wenn sowohl die Nachzahlungsvoraussetzungen als auch die Voraussetzungen gemäß § 3 (9) (a) oder gemäß § 3 (9) (b) erfüllt sind.

the next Compulsory Settlement Date.

"**Compulsory Settlement Date**" means the earlier of the following dates:

(i) in respect of any Arrears of Interest that existed prior to the occurrence of a Dividend Payment Event the next Interest Payment Date following the date on which the Dividend Payment Event occurred, and on which the Conditions to Settlement are met;

(ii) the date on which the Notes fall due for redemption in accordance with § 4 (1), § 4 (2) or § 4 (3); and

(iii) the date on which an order is made for the winding up, dissolution or liquidation of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganization or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer).

(c) If on an Optional Settlement Date or a Compulsory Settlement Date the Conditions to Settlement are not met, Arrears of Interest scheduled to be paid on such date will not become due and payable (*fällig*) on the relevant Optional Settlement Date or Compulsory Settlement Date, as the case may be, but will remain outstanding and will continue to be treated as Arrears of Interest, which will become due only if the Conditions to Settlement are met and if the requirements in accordance with § 3 (9) (a) or § 3 (9) (b) are fulfilled.

Die Emittentin hat den Umstand, dass die Nachzahlungsvoraussetzungen nicht erfüllt sind, so bald wie möglich nach dessen Feststellung gemäß § 12 mitzuteilen. Ein Unterlassen der Mitteilung berührt nicht die Wirksamkeit der Fortsetzung des Zinsaufschubs und stellt in keinem Fall eine Pflichtverletzung dar. Sollte die Emittentin die Mitteilung nicht bis zu dem betreffenden Freiwilligen Nachzahlungstag bzw. Pflichtnachzahlungstag veröffentlicht haben, hat sie diese unverzüglich nachzuholen.

Eine Nichtzahlung aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.

The Issuer will give notice in accordance with § 12 of the fact that the Conditions to Settlement are not met as soon as practicable after its determination. Any failure to give such notice shall not affect the validity of the continuation of the deferral of interest and shall not constitute a default for any purpose. If the Issuer has not given such notice prior to or on the relevant Optional Settlement Date or Compulsory Settlement Date, it shall give it without undue delay thereafter.

Any such failure to pay will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

(10) *Ende des Zinslaufs*. Der Zinslauf der Schuldverschreibungen endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, ist der Festgelegte Nennbetrag jeder Schuldverschreibung ab dem Tag der Fälligkeit (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen (ausschließlich) in Höhe des gesetzlich festgelegten Zinssatzes für Verzugszinsen[4] zu verzinsen.

(10) *End of Interest Accrual*. The Notes shall cease to bear interest from the beginning of the day on which they become due (*fällig*) for redemption. If the Issuer fails to redeem the Notes when due (*fällig*), each Note will bear interest on its Specified Denomination from (and including) the due date to (but excluding) the day of actual redemption of the Notes at the statutory default rate of interest[4].

§ 4
Rückzahlung

(1) *Rückzahlung bei Endfälligkeit.* Soweit nicht bereits zuvor zurückgezahlt oder zurückgekauft, werden die Schuldverschreibungen am Endfälligkeitstag zum Rückzahlungsbetrag zurückgezahlt.

"**Endfälligkeitstag**" ist,

§ 4
Redemption

(1) *Redemption at maturity.* To the extent not previously redeemed or repurchased, the Notes will be redeemed at their Redemption Amount on the Final Maturity Date.

"**Final Maturity Date**" means,

[4] Der gesetzliche Verzugszinssatz beträgt gemäß §§ 288 Absatz 1, 247 BGB für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz. / The default rate of interest for the year established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 (1), 247 German Civil Code (*Bürgerliches Gesetzbuch*).

(i) wenn an dem Vorgesehenen Endfälligkeitstag die Rückzahlungsbedingungen erfüllt sind, der Vorgesehene Endfälligkeitstag;

(ii) andernfalls der erste Zinszahlungstag nach dem Vorgesehenen Endfälligkeitstag, an dem die Rückzahlungsbedingungen erfüllt sind.

"**Vorgesehener Endfälligkeitstag**" ist der Variable Zinszahlungstag, der auf oder um den 10. September 2041 fällt.

(2) *Vorzeitige Rückzahlung nach Wahl der Emittentin*. Die Emittentin kann die Schuldverschreibungen insgesamt, jedoch nicht teilweise, vorbehaltlich der Erfüllung der Rückzahlungsbedingungen und vorbehaltlich § 4 (5) und (6) unter Einhaltung einer Frist von nicht weniger als 15 Tagen zu jedem Optionalen Rückzahlungstag (wie nachstehend definiert) vorzeitig kündigen und zurückzahlen.

"**Optionaler Rückzahlungstag**" bezeichnet

(i) jeden Geschäftstag in dem Zeitraum ab dem 10. März 2031 (einschließlich) bis zu dem Ersten Zinsanpassungstag (ausschließlich);

(ii) den Ersten Zinsanpassungstag; und

(iii) jeden auf den Ersten Zinsanpassungstag folgenden Variablen Zinszahlungstag.

(3) *Vorzeitige Rückzahlung nach Eintritt eines Steuerereignisses, eines Aufsichtsrechtlichen Ereignisses, eines Ratingagenturereignisses, eines Rechnungslegungsereignisses oder eines Clean-Up Ereignisses*.

(a) Bei Eintritt eines Steuerereignisses, eines Aufsichtsrechtlichen Ereignisses, eines Ratingagenturereignisses, eines

(i) if on the Scheduled Maturity Date the Conditions to Redemption are met, the Scheduled Maturity Date;

(ii) otherwise the first Interest Payment Date following the Scheduled Maturity Date on which the Conditions to Redemption are met.

"**Scheduled Maturity Date**" means the Floating Interest Payment Date falling on or around September 10, 2041.

(2) *Early Redemption at the Option of the Issuer*. The Issuer may, subject to fulfillment of the Conditions to Redemption and subject to § 4 (5) and (6), call the Notes for early redemption, in whole but not in part, upon not less than 15 days' prior notice, with effect as of any Optional Redemption Date (as defined below).

"**Optional Redemption Date**" means

(i) each Business Day falling in a period from (and including) March 10, 2031 to (but excluding) the First Reset Date;

(ii) the First Reset Date; and

(iii) each Floating Interest Payment Date following the First Reset Date.

(3) *Early Redemption after the Occurrence of a Tax Event, Regulatory Event, a Rating Agency Event, an Accounting Event or a Clean-Up Event.*

(a) Upon the occurrence of a Tax Event, a Regulatory Event, a Rating Agency Event, an Accounting Event or a Clean-Up Event,

Rechnungslegungsereignisses oder eines Clean-Up Ereignisses ist die Emittentin vorbehaltlich der Erfüllung der Rückzahlungsbedingungen und vorbehaltlich § 4 (5) jederzeit berechtigt, die Schuldverschreibungen insgesamt, jedoch nicht teilweise, unter Einhaltung einer Frist von mindestens 15 Tagen vorzeitig zu kündigen und zurückzuzahlen.

the Issuer may, subject to fulfillment of the Conditions to Redemption and subject to § 4 (5), call the Notes for early redemption, in whole but not in part, at any time upon not less than 15 days' prior notice.

(b) *Steuerereignis*. Ein "**Steuerereignis**" tritt ein, falls der Emittentin ein Rechtsgutachten einer anerkannten Anwaltskanzlei vorliegt (und die Emittentin der Hauptzahlstelle eine Kopie davon überlässt), aus dem hervorgeht, dass sich die steuerliche Behandlung der Schuldverschreibungen in Folge einer an oder nach dem Verzinsungsbeginn eingetretenen Rechts- oder Rechtsprechungsänderung (einschließlich des Falles, dass die betreffende Änderung, Ergänzung oder Klarstellung rückwirkend Anwendung findet), einschließlich einer Änderung von steuerrechtlichen oder aufsichtsrechtlichen Gesetzen, Regelungen oder Verfahrensweisen, ändert (insbesondere, jedoch nicht ausschließlich, im Hinblick auf die steuerliche Abzugsfähigkeit des Zinsaufwands in Bezug auf die Schuldverschreibungen oder die Verpflichtung zur Zahlung von Zusätzlichen Beträgen (wie in § 7 definiert)) und diese Änderung für die Emittentin nach eigener, begründeter Auffassung der Emittentin wesentlich nachteilig ist.

(b) *Tax Event*. A "**Tax Event**" occurs if a legal opinion of a recognized law firm has been delivered to the Issuer (and the Issuer has provided the Principal Paying Agent with a copy thereof) stating that, as a result of a change in applicable legislation or relevant jurisprudence, including a change in any fiscal or regulatory legislation, rules or practices, occurring on or after the Interest Commencement Date (including in case any such change, amendment or clarification has retroactive effect), the tax treatment of the Notes changes (including but not limited to the tax deductibility of the interest expense related to the Notes or the obligation to pay Additional Amounts (as defined in § 7)) and if, in the Issuer's own reasonable opinion, this change has a material adverse effect for the Issuer.

Im Falle einer Verpflichtung zur Zahlung von Zusätzlichen Beträgen darf eine solche Kündigungserklärung nicht früher als 90 Tage vor dem Tag abgegeben werden, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge gemäß § 7 zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig würde.

In the case of the obligation to pay Additional Amounts, no such notice of redemption may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to § 7 if a payment in respect of the Notes were then due.

Im Falle einer Änderung des steuerlichen

In the case of a change in the tax

Abzugsfähigkeit des Zinsaufwands in Bezug auf die Schuldverschreibungen darf eine solche Kündigungserklärung nicht früher als 90 Tage vor dem Tag abgegeben werden, an dem sich die Abzugsfähigkeit des Zinsaufwands ändern würde.

deductibility of the interest expense related to the Notes, no such notice of redemption may be given earlier than 90 days prior to the date, on which the deductibility of the interest expense would change.

(c) *Aufsichtsrechtliches Ereignis*. Ein "**Aufsichtsrechtliches Ereignis**" tritt ein, wenn sich die aufsichtsrechtliche Einstufung der Schuldverschreibungen ändert, und diese Änderung wahrscheinlich zu einem vollständigen oder teilweisen Ausschluss der Schuldverschreibungen aus dem Tier 2-Kapital der Emittentin oder der Gruppe im Sinne der Anwendbaren Aufsichtsrechtlichen Anforderungen führen würde.

(c) *Regulatory Event*. A "**Regulatory Event**" occurs if there is a change in the regulatory classification of the Notes that would be likely to result in an exclusion of the Notes in full or in part from the Tier 2 Capital of the Issuer or the Group under the Applicable Supervisory Requirements.

Für die Feststellung des Vorliegens eines Aufsichtsrechtlichen Ereignisses genügt insbesondere eine entsprechende Mitteilung der Zuständigen Aufsichtsbehörde an die Emittentin.

For the purposes of the determination of the occurrence of a Regulatory Event, it suffices in particular if the Competent Supervisory Authority has made a communication to that effect to the Issuer.

Zur Klarstellung: Ein Überschreiten der nach Maßgabe der Anwendbaren Aufsichtsrechtlichen Anforderungen jeweils geltenden Anrechnungsobergrenzen begründen kein Aufsichtsrechtliches Ereignis.

For the avoidance of doubt, exceeding the applicable quantitative limits in accordance with the Applicable Supervisory Requirements does not constitute a Regulatory Event.

"**Tier 2-Kapital**" bezeichnet die Tier 2-Basiseigenmittel (wie in den Anwendbaren Aufsichtsrechtlichen Anforderungen definiert und unabhängig von der darin gewählten Bezeichnung) für Zwecke der Ermittlung der Solo-Solvabilität der Emittentin oder der Gruppen-Solvabilität der Gruppe.

"**Tier 2 Capital**" means the Tier 2 basic own funds (as defined in, and regardless of the terminology used by, the Applicable Supervisory Requirements) for single solvency purposes of the Issuer or for group solvency purposes of the Group pursuant to the Applicable Supervisory Requirements.

(d) *Ratingagenturereignis*. Ein "**Ratingagentur-ereignis**" tritt ein, wenn sich in Folge einer an oder nach dem Verzinsungsbeginn eingetretenen Änderung oder Klarstellung der Rating-Methodologie (oder deren Auslegung) die von einer Rating Agentur zugeordnete Behandlung der Schuldverschreibungen für die Bemessung

(d) *Rating Agency Event.* A "**Rating Agency Event**" occurs if, as a consequence of a change or clarification of the rating methodology (or the interpretation thereof) on or after the Interest Commencement Date, the treatment of the Notes with regards to measuring the capitalization or the leverage of the Issuer or the Group

der Kapitalisierung oder Verschuldung der Emittentin oder der Gruppe nach eigener, begründeter Auffassung der Emittentin verschlechtert (i) im Vergleich zu der von der Rating Agentur an dem Tag der Begebung der Schuldverschreibungen zugeordneten Behandlung der Schuldverschreibungen für die Bemessung der Kapitalisierung oder Verschuldung der Emittentin oder der Gruppe oder (ii), wenn an dem Tag der Begebung der Schuldverschreibungen von der Rating Agentur keine solche Behandlung bestimmt wurde, im Vergleich zu der Behandlung der Schuldverschreibungen für die Bemessung der Kapitalisierung oder Verschuldung der Emittentin oder der Gruppe, die von der Rating Agentur an dem Tag zugeordnet wird, an dem von der Ratingagentur erstmals eine solche Behandlung zugeordnet wird.

attributed by any Rating Agency is, in the reasonable opinion of the Issuer, adversely affected (i) when compared to the treatment attributed by such Rating Agency to the Notes with regards to measuring the capitalization or the leverage of the Issuer or the Group at the date of the issuance of the Notes or (ii), or if no such treatment is attributed by such Rating Agency to the Notes on the date of issuance of the Notes, when compared to the treatment attributed by such Rating Agency to the Notes with regards to measuring the capitalization or the leverage of the Issuer or the Group at the date when such treatment is attributed for the first time by such Rating Agency.

"**Rating Agentur**" bezeichnet S&P Global Ratings Europe Limited oder eine ihrer Nachfolgerinnen (unter Einschluss verbundener Unternehmen) oder jede andere Rating Agentur vergleichbaren internationalen Ansehens, von der die Emittentin ein Solicited Rating erhält, wie von Zeit zu Zeit durch die Emittentin bestimmt.

"**Rating Agency**" means S&P Global Ratings Europe Limited or any of its successors or any of its successors (including any affiliates) or any other rating agency of equivalent international standing from which the Issuer has obtained a Solicited Rating specified from time to time by the Issuer.

"**Solicited Rating**" bezeichnet ein Rating, das von einer Rating Agentur erteilt wird, mit der die Emittentin in einem Vertragsverhältnis steht, im Rahmen dessen die Rating Agentur ein Rating für die Schuldverschreibungen erteilt und eine Behandlung der Schuldverschreibungen für die Bemessung der Kapitalisierung oder Verschuldung der Emittentin oder der Gruppe festlegt.

"**Solicited Rating**" means a rating assigned by a Rating Agency with whom the Issuer has a contractual relationship under which the Notes are assigned a rating and a treatment of the Notes with regards to measuring the capitalization or the leverage of the Issuer or the Group.

(e) *Rechnungslegungsereignis*. Ein "**Rechnungslegungsereignis**" tritt ein, wenn die Emittentin nach eigener begründeter Auffassung aufgrund einer an

(e) *Accounting Event*. An "**Accounting Event**" occurs if the Issuer in its own reasonable opinion as a result of any change in or amendment to the Applicable Accounting

oder nach dem Tag der Begebung der Schuldverschreibungen eingetretenen Änderung der Anwendbaren Rechnungslegungsvorschriften die Schuldverschreibungen in dem nach Maßgabe der Anwendbaren Rechnungslegungsvorschriften aufgestellten Jahresabschluss oder Konzernjahresabschluss der Emittentin nicht oder nicht mehr als Verbindlichkeiten in der Bilanz ausweisen darf und die Emittentin dies nicht abwenden kann, indem sie Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

Standards, which change or amendment becomes effective on or after the date of issue of the Notes, must not or must no longer record the obligations under the Notes as liabilities on the balance sheet in the Issuer's annual financial statements or annual consolidated financial statements prepared in accordance with the Applicable Accounting Standards and this cannot be avoided by the Issuer taking such measures it (acting in good faith) deems appropriate.

"**Anwendbare Rechnungslegungsvorschriften**" bezeichnet die Vorschriften gemäß Handelsgesetzbuch (HGB) (das "**HGB**") sowie die International Financial Reporting Standards (IFRS), wie sie zu den jeweiligen Stichtagen und für die jeweiligen Rechnungslegungsperioden anwendbar sind, oder andere, von der Emittentin zukünftig anzuwendende, allgemein anerkannte Rechnungslegungsgrundsätze.

"**Applicable Accounting Standards**" means the provisions of the German Commercial Code (*Handelsgesetzbuch – HGB*) (the "**HGB**") and the International Financial Reporting Standards (IFRS), as applicable at the relevant dates and for the relevant periods, or other accounting principles generally accepted and applied by the Issuer in the future.

(f) *Clean-Up Ereignis*. Ein "**Clean-Up Ereignis**" tritt ein, wenn die Emittentin und/oder ein Tochterunternehmen der Emittentin im Sinne von § 290 Absatz 1 HGB (zusammen) Schuldverschreibungen in einem Gesamtnennbetrag von 80 % oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben haben, und der Gesamtnennbetrag der Schuldverschreibungen in der Globalurkunde mindestens um diesen Prozentsatz reduziert wurde.

(f) *Clean-Up Event.* A "**Clean-Up Event**" occurs if at any time the Issuer and/or any subsidiary of the Issuer within the meaning of § 290 (1) HGB have (together) purchased Notes equal to or more than 80 per cent. of the aggregate principal amount of the Notes initially issued and the aggregate principal amount of the Notes is reduced by at least this percentage in the Global Note accordingly.

(4) *Rückzahlungsbedingungen*.

(4) *Conditions to Redemption*.

(a) Die "**Rückzahlungsbedingungen**" sind die an einem Tag in Bezug auf eine vorgesehene Kündigung und Rückzahlung oder einen geplanten Rückkauf (wie in

(a) "**Conditions to Redemption**" means the conditions that must be fulfilled on any date with respect to a scheduled call and redemption or a planned Repurchase (as

§ 11 (2) definiert) der Schuldverschreibungen nach den Anwendbaren Aufsichtsrechtlichen Anforderungen für die Anerkennung von Schuldverschreibungen als Tier 2-Kapital zu erfüllenden Bedingungen. Am Tag der Begebung der Schuldverschreibungen setzt dies voraus, dass:

(i) kein an diesem Tag noch fortbestehendes Insolvenzereignis eingetreten ist und die Zahlung des Rückzahlungsbetrages oder der Rückkauf nicht zu einem Insolvenzereignis führen oder dessen Eintritt beschleunigen würde (wobei jedoch ungeachtet dessen die Forderungen der Gläubiger aus den Schuldverschreibungen in einem Insolvenz- oder Liquidationsverfahren im Hinblick auf die Emittentin nach Maßgabe der Anwendbaren Insolvenzrechtlichen Vorschriften fällig werden); und

(ii) kein an diesem Tag noch fortbestehendes Relevantes Konzerntochter-Insolvenzereignis eingetreten ist, es sei denn, die Zuständige Aufsichtsbehörde hat in Kenntnis des Eintritts eines noch fortbestehenden Relevanten Konzerntochter-Insolvenzereignisses keine Bedenken gegen die Rückzahlung bzw. den Rückkauf geäußert; und

(iii) kein an diesem Tag noch fortbestehendes Solvenzkapitalereignis eingetreten ist und die Rückzahlung bzw. der Rückkauf der Schuldverschreibungen nicht zu einem Solvenzkapitalereignis führen würde, es sei denn, die Rückzahlung bzw. der Rückkauf ist auch in einem solchen Fall ausnahmsweise nach Maßgabe der Anwendbaren Aufsichtsrechtlichen

defined in § 11 (2)) of the Notes in accordance with the Applicable Supervisory Requirements for the recognition of notes as Tier 2 Capital. On the date of issue of the Notes this requires that:

(i) no Insolvency Event has occurred and is continuing on such date and that the payment of the Redemption Amount or the Repurchase would not result in, or accelerate, the occurrence of an Insolvency Event (notwithstanding the above, the claims of the Holders under the Notes in any insolvency or liquidation proceedings in relation to the Issuer will fall due in accordance with the Applicable Insolvency Regulations); and

(ii) no Relevant Consolidated Subsidiary Insolvency Event has occurred and is continuing on such date, unless the Competent Supervisory Authority, being aware of the occurrence of a Relevant Consolidated Subsidiary Insolvency Event that is continuing, has not objected to the redemption or Repurchase; and

(iii) no Solvency Capital Event has occurred and is continuing on such date and the redemption or the Repurchase of the Notes would not result in a Solvency Capital Event, unless the redemption or the Repurchase is exceptionally permitted in such a case under the Applicable Supervisory Requirements; such

Anforderungen zulässig; dies setzt voraus, dass:

(A) die Zuständige Aufsichtsbehörde in Kenntnis des Eintritts eines noch fortbestehenden Solvenzkapitalereignisses ihre Zustimmung gemäß dem nachstehenden Absatz (iv) erteilt und bis zu diesem Tag nicht widerrufen hat; und

(B) das über die Schuldverschreibungen eingezahlte Kapital durch die Einzahlung von Tier 1-Basiseigenmittelbestandteilen ersetzt oder in solche Bestandteile umgewandelt wird, oder durch die Einzahlung anderer, zumindest gleichwertiger Tier 2-Basiseigenmittelbestandteile ersetzt oder in solche Bestandteile umgewandelt wird; und

(C) die anwendbare Solo MCR und die anwendbare Gruppen MCR auch nach der Rückzahlung der Schuldverschreibungen bzw. dem Rückkauf eingehalten werden; und

(iv) die Zuständige Aufsichtsbehörde ihre nach Maßgabe der Anwendbaren Aufsichtsrechtlichen Anforderungen erforderliche Zustimmung zur Kündigung und Zahlung des Rückzahlungsbetrages bzw. zu dem Rückkauf erteilt und bis zu diesem Tag nicht widerrufen hat; und

exceptional permission requires that:

(A) the Competent Supervisory Authority, being aware of the occurrence of a Solvency Capital Event that is continuing, has given, and not withdrawn by such date, its consent according to subparagraph (iv) below; and

(B) the capital paid-in for the Notes is replaced by or converted into paid-in Tier 1 basic own-fund items, or is replaced by or converted into other paid-in Tier 2 basic own-fund items of at least the same quality; and

(C) the applicable Solo MCR and the applicable Group MCR are fulfilled also after the redemption of the Notes or the Repurchase; and

(iv) the Competent Supervisory Authority has given, and not withdrawn by such day, its consent to the redemption and payment of the Redemption Amount or to the Repurchase, as required, under the Applicable Supervisory Requirements; and

(v) im Falle einer Rückzahlung oder eines Rückkaufs der Schuldverschreibungen vor dem 10. September 2026 das über die Schuldverschreibungen eingezahlte Kapital mit der Zustimmung der Zuständigen Aufsichtsbehörde entweder durch die Einzahlung von Tier 1-Basiseigenmittelbestandteilen ersetzt oder in solche Bestandteile umgewandelt wird, oder durch die Einzahlung anderer, zumindest gleichwertiger Tier 2-Basiseigenmittelbestandteile ersetzt oder in solche Bestandteile umgewandelt wird, wobei:

(v) in the event of a redemption or a Repurchase of the Notes prior to September 10, 2026 the capital paid in for the Notes is replaced by or converted into paid-in Tier 1 basic own-fund items, or is replaced by or converted into other paid-in Tier 2 basic own-fund items of at least the same quality, in each case with the consent of the Competent Supervisory Authority, provided that:

(A) im Falle einer Rückzahlung bei Eintritt eines Steuerereignisses kein Erfordernis der Ersetzung oder Umwandlung gemäß § 4 (4) (a) (v) besteht, wenn

(A) in case of a redemption following the occurrence of a Tax Event no replacement or conversion requirement in accordance with § 4 (4) (a) (v) applies if

(I) eine Angemessene Überdeckung vorliegt; und

(I) an Appropriate Margin exists; and

(II) die Emittentin der Zuständigen Aufsichtsbehörde gegenüber hinreichend nachweist, dass das Steuerereignis wesentlich ist und am Tag der Begebung der Schuldverschreibungen nach vernünftigem Ermessen nicht vorherzusehen war; und

(II) the Issuer demonstrates to the satisfaction of the Competent Supervisory Authority that the Tax Event is material and was not reasonably foreseeable at the date of issue of the Notes; and

(B) im Falle einer Rückzahlung bei Eintritt eines Aufsichtsrechtlichen Ereignisses kein Erfordernis der Ersetzung oder Umwandlung gemäß § 4 (4) (a) (v) besteht, wenn

(B) in case of a redemption following the occurrence of a Regulatory Event no replacement or conversion requirement in accordance with § 4 (4) (a) (v) applies, if

(I) eine Angemessene Überdeckung vorliegt; und

(I) an Appropriate Margin exists; and

(II) die Zuständige Aufsichtsbehörde es für ausreichend sicher hält, dass die für das Aufsichtsrechtliche

(II) the Competent Supervisory Authority considers it sufficiently certain that the change relevant for the

Ereignis relevante Änderung stattfindet oder stattfinden wird, und die Emittentin der Zuständigen Aufsichtsbehörde gegenüber hinreichend nachweist, dass die betreffende aufsichtsrechtliche Neueinstufung oder der betreffende Ausschluss der Schuldverschreibungen am Tag ihrer Begebung nach vernünftigem Ermessen nicht vorherzusehen war.

Regulatory Event occurs or will occur and the Issuer demonstrates to the satisfaction of the Competent Supervisory Authority that the regulatory reclassification or the exclusion of the Notes was not reasonably foreseeable at the date of issue of the Notes.

(b) Die Nichterfüllung der Rückzahlungsbedingungen berechtigt die Gläubiger nicht zur Kündigung der Schuldverschreibungen und stellt keinen Ausfall der Emittentin dar.

(b) The non-fulfillment of the Conditions to Redemption shall not entitle the Holders to require the redemption of the Notes and shall not constitute a default of the Issuer.

(c) *Bestimmte Definitionen*.

Eine "**Angemessene Überdeckung**" liegt vor, wenn (x) die anwendbare Solo SCR der Emittentin und (y) die anwendbare Gruppen SCR der Gruppe unter Berücksichtigung der Solvabilität der Emittentin bzw. der Gruppe, einschließlich ihres mittelfristigen Kapitalmanagementplans, nach der Rückzahlung zuzüglich einer angemessenen Sicherheitsmarge bedeckt sind.

"**Einrichtung der betrieblichen Altersversorgung**" hat die diesem Begriff in der Richtlinie (EU) 2016/2341 des Europäischen Parlaments und des Rates vom 14. Dezember 2016 über die Tätigkeiten und die Beaufsichtigung von Einrichtungen der betrieblichen Altersversorgung (EbAV) in der jeweils geltenden Fassung zugewiesene Bedeutung.

"**Relevantes Konzerntochter-Insolvenzereignis**" bezeichnet die

(c) *Certain Definitions*.

An "**Appropriate Margin**" exists if (x) the applicable Solo SCR of the Issuer and (y) the applicable Group SCR of the Group, after the redemption, will be exceeded by an appropriate margin, taking into account the solvency position of the Issuer and the Group, including their medium-term capital management plan.

"**Institution for Occupational Retirement Provision**" has the meaning given to this term in Directive 2016/2341/EU of the European Parliament and of the Council of December 14, 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs), as amended from time to time.

"**Relevant Consolidated Subsidiary Insolvency Event**" means the

Einleitung eines Insolvenz- oder Liquidationsverfahrens im Hinblick auf ein Tochterunternehmen der Emittentin im Sinne von § 290 Absatz 1 HGB mit Sitz im Europäischen Wirtschaftsraum, das entweder ein Versicherungsunternehmen oder ein Rückversicherungsunternehmen oder eine Einrichtung der betrieblichen Altersversorgung (jeweils wie unten definiert) ist, wenn und solange die Emittentin in Abstimmung mit der Zuständigen Aufsichtsbehörde feststellt, dass die Vermögenswerte des betreffenden Tochterunternehmens (möglicherweise) nicht ausreichen werden, um sämtliche Versicherungs- und Rückversicherungsverpflichtungen bzw. Altersversorgungsleistungen dieses Tochterunternehmens gegenüber den Versicherungsnehmern und den Anspruchsberechtigten unter den Versicherungs- oder Rückversicherungsverträgen bzw. den Altersversorgungssystemen des Tochterunternehmens zu befriedigen.

commencement of insolvency or liquidation proceedings with respect to a subsidiary of the Issuer within the meaning of § 290 (1) *HGB* that has its seat in the European Economic Area and which is either an Insurance Undertaking or a Reinsurance Undertaking or any Institution for Occupational Retirement Provision (each as defined below), if and as long as the Issuer determines, in conjunction with the Competent Supervisory Authority, that the assets of that subsidiary may or will be insufficient to meet all insurance, reinsurance and occupational pension obligations, respectively, of such subsidiary towards policy holders and beneficiaries of insurance and reinsurance contracts or occupational pension schemes of the subsidiary.

"**Rückversicherungsunternehmen**" hat die diesem Begriff in der Solvency II Richtlinie zugewiesene Bedeutung.

"**Reinsurance Undertaking**" has the meaning given to this term in the Solvency II Directive.

"**Solvency II Richtlinie**" bezeichnet die Richtlinie 2009/138/EG des Europäischen Parlaments und des Rates betreffend die Aufnahme und Ausübung der Versicherungs- und der Rückversicherungstätigkeit (Solvabilität II) in der jeweils geltenden Fassung; soweit Bestimmungen der Solvency II Richtlinie geändert oder ersetzt werden, bezieht sich der Verweis auf Bestimmungen der Solvency II Richtlinie in diesen Anleihebedingungen auf die geänderten Bestimmungen bzw. die Nachfolgeregelungen.

"**Solvency II Directive**" means Directive 2009/138/EC of the European Parliament and the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II), as amended from time to time; to the extent that provisions of the Solvency II Directive are amended or replaced, the reference to the provisions of the Solvency II Directive as used in these Terms and Conditions shall refer to such amended provisions or successor provisions from time to time.

"**Versicherungsunternehmen**" hat die diesem Begriff in der Solvency II Richtlinie

"**Insurance Undertaking**" has the meaning given to this term in the Solvency II

zugewiesene Bedeutung.

(5) *Form der Kündigungsmitteilung; Unwirksamkeit der Kündigung*. Eine Kündigung nach § 4 (2) oder (3) hat durch Mitteilung an die Gläubiger gemäß § 12 (1) zu erfolgen ("**Kündigungsmitteilung**"). Sie ist vorbehaltlich der Erfüllung der Rückzahlungsbedingungen unwiderruflich, muss den für die Rückzahlung festgelegten Termin und im Falle einer Kündigung und Rückzahlung nach § 4 (3) den Grund für diese Kündigung und Rückzahlung nennen.

Sofern die Rückzahlungsbedingungen an dem in der Kündigungsmitteilung für die Rückzahlung festgelegten Tag erfüllt sind, ist die Emittentin verpflichtet, die Schuldverschreibungen an diesem Tag zum Rückzahlungsbetrag (wie in § 4 (6) definiert) zuzüglich bis zum für die Rückzahlung festgesetzten Tag (ausschließlich) (vorbehaltlich § 3 (8)) aufgelaufener Zinsen zurückzuzahlen.

Falls die Rückzahlungsbedingungen an dem in der Kündigungsmitteilung für die Rückzahlung festgelegten Tag nicht erfüllt sind, wird die Kündigungsmitteilung als unwirksam behandelt und die betreffende Rückzahlung darf nicht erfolgen; die Emittentin hat die Gläubiger hierüber unverzüglich durch Mitteilung gemäß § 12 (1) zu informieren. Sollte die Emittentin die Mitteilung nicht bis zu dem für die Rückzahlung festgelegten Termin veröffentlicht haben, hat sie dies unverzüglich nachzuholen.

Ein Unterlassen der Mitteilung lässt die Unwirksamkeit der Kündigung und das Rückzahlungsverbot unberührt und stellt in keinem Fall eine Pflichtverletzung dar.

Wenn die Rückzahlungsbedingungen nicht erfüllt sind, berechtigt dies die Gläubiger nicht, von der Emittentin die Rückzahlung der Schuldverschreibungen zu verlangen,

Directive.

(5) *Form of the Redemption Notice; Invalidity of the Redemption Notice*. Any notice of redemption pursuant to § 4 (2) or (3) shall be given to the Holders in accordance with § 12 (1) ("**Redemption Notice**"). Subject to the fulfillment of the Conditions to Redemption, the notice shall be irrevocable and shall specify the date fixed for redemption and, in case of a call and redemption pursuant to § 4 (3), the reason for such call and redemption.

If the Conditions to Redemption are fulfilled on the date fixed for redemption in the Redemption Notice, the Issuer shall redeem the Notes at the Redemption Amount (as defined in § 4 (6)) on such date plus any interest accrued to (but excluding) the date fixed for redemption (subject to § 3 (8)).

If the Conditions to Redemption are not fulfilled on the date fixed for redemption in the Redemption Notice, the Redemption Notice shall be deemed invalid and the corresponding redemption shall not be made; the Issuer shall inform the Holders thereof by notice in accordance with § 12 (1) without undue delay (*unverzüglich*). If the Issuer has not published the notice by the date fixed for redemption, it shall do so after such date without undue delay (*unverzüglich*).

Failure to give such notice shall not affect the invalidity of the notice and the prohibition of redemption and shall in no event constitute an event of default.

Failure to comply with the Conditions to Redemption shall not entitle the Holders to require the Issuer to redeem the Notes and any failure to redeem the Notes for such

und eine aus diesem Grunde nicht erfolgte Rückzahlung der Schuldverschreibungen begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.

reason shall not constitute a default by the Issuer or any other event of default under these Notes or for any other purpose.

(6) *Rückzahlungsbetrag*. Der "**Rückzahlungsbetrag**" ist ein Betrag je Schuldverschreibung in Höhe des Festgelegten Nennbetrages zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf diese Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen (einschließlich sämtlicher gemäß § 3 (9) fällige Zinsrückstände in Bezug auf diese Schuldverschreibung).

(6) *Redemption Amount*. The "**Redemption Amount**" means an amount per Note equal to the Specified Denomination plus any interest accrued on such Note to but excluding the date of redemption but yet unpaid (including any Arrears of Interest due on such Note pursuant to § 3 (9)).

(7) *Kein Recht der Gläubiger zur Kündigung oder zur Fälligstellung*. Die Gläubiger haben kein Recht zur Kündigung oder anderweitigen Fälligstellung der Schuldverschreibungen.

(7) *No Right of Termination or Acceleration by the Holders*. The Holders shall have no right to terminate or otherwise accelerate the redemption of the Notes.

§ 5
Zahlungen

§ 5
Payments

(1) *Zahlungen von Kapital und Zinsen.* Zahlungen von Kapital und Zinsen auf die Schuldverschreibungen erfolgen nach Maßgabe von § 5 (2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems. Die Zahlung von Zinsen auf Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, erfolgt nach ordnungsgemäßem Nachweis gemäß § 1 (3).

(1) *Payments of Principal and Interest.* Payment of principal and interest on the Notes shall be made, subject to § 5 (2), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System. Payment of interest on Notes represented by a Temporary Global Note shall be made, upon due certification as provided in § 1 (3).

(2) *Zahlungsweise.* Sämtliche auf die Schuldverschreibungen zu leistenden Zahlungen werden in der Festgelegten Währung geleistet. Den Gläubigern werden keine Kosten oder Gebühren in Bezug auf

(2) *Manner of Payment.* Payments of any amounts due in respect of the Notes shall be made in the Specified Currency. No commission or expenses shall be charged to the Holders in respect of such payments. All

diese Zahlungen auferlegt. Sämtliche Zahlungen stehen unter dem Vorbehalt geltender steuerlicher und sonstiger gesetzlicher Vorschriften, Richtlinien und Verordnungen oder Verträge, denen sich die Emittentin oder eine Zahlstelle unterworfen haben. Vorbehaltlich § 7 ist die Emittentin nicht verpflichtet, Zusätzliche Beträge (wie in § 7 definiert) als Ausgleich für irgendwelche Steuern oder Abgaben gleich welcher Art, die aufgrund solcher steuerlichen oder sonstigen gesetzlichen Vorschriften, Richtlinien oder Verordnungen oder Verträge auferlegt oder erhoben werden, an die Gläubiger zu zahlen.

payments are subject to all applicable fiscal and other laws, directives and regulations or agreements to which the Issuer or any Paying Agent have agreed to be subject to. Without prejudice to the provisions of § 7, the Issuer will not be obliged to pay to the Holders any Additional Amounts (as defined in § 7) as compensation for any taxes or duties of whatever nature imposed or levied by such fiscal and other laws, regulations, directives or agreements.

(3) *Erfüllung*. Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(3) *Discharge*. The Issuer will be discharged from its duty of payment by making payment to, or to the order of, the Clearing System.

(4) *Geschäftstagekonvention*. Ist der Fälligkeitstag für eine Zahlung von Kapital oder Zinsen kein Geschäftstag, so hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Tag, der ein Geschäftstag ist. Für eine solche Zahlungsverzögerung werden keine weiteren Zinsen oder eine andere Ersatzleistung gezahlt.

(4) *Business Day Convention*. If any due date for payment of principal or interest is not a Business Day, then the Holder will not be entitled to payment until the next day which is a Business Day. No further interest or any other compensation shall be paid in respect of the delay in such payment.

(5) *Bezugnahmen auf Kapital und Zinsen*. Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, den Rückzahlungsbetrag der Schuldverschreibungen sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbare Beträge ein. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf die Schuldverschreibungen schließen alle Beträge, die gemäß § 3 zahlbar sind, sowie gegebenenfalls sämtliche gemäß § 7 zahlbaren Zusätzlichen Beträge ein.

(5) *References to Principal and Interest*. Any reference in these Terms and Conditions to principal will include, as applicable, the Redemption Amount of the Notes and any other amounts payable in respect of the Notes. Any reference in these Terms and Conditions to interest in respect of the Notes will include all amounts payable pursuant to § 3 and, if applicable, the Additional Amounts which may be payable under § 7.

(6) *Hinterlegung von Kapital und Zinsen*. Die Emittentin ist berechtigt, beim Amtsgericht

(6) *Deposit of Principal and Interest*. The Issuer may deposit with the local court

Stuttgart Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die jeweiligen Ansprüche der Gläubiger gegen die Emittentin.

(*Amtsgericht*) in Stuttgart principal or interest not claimed by Holders within twelve months after the due date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

§ 6
Die Hauptzahlstelle, weitere Zahlstellen und die Berechnungsstelle

(1) *Bestellung; bezeichnete Geschäftsstelle*. Die anfänglich bestellte Hauptzahlstelle (die "**Hauptzahlstelle**"), die anfänglich bestellte Berechnungsstelle (die "**Berechnungsstelle**") und deren jeweilige anfänglich bezeichneten Geschäftsstellen lauten wie folgt:

Hauptzahlstelle:

Citibank Europe plc
1 North Wall Quay
Dublin 1
Irland

Berechnungsstelle:

Citibank Europe plc
1 North Wall Quay
Dublin 1
Irland

Die Hauptzahlstelle, etwaige Zahlstellen und die Berechnungsstelle behalten sich das Recht vor, jederzeit anstelle ihrer jeweils benannten Geschäftsstellen eine andere Geschäftsstelle in demselben Land zu bestimmen.

(2) *Änderung der Bestellung oder Abberufung*. Die Emittentin behält sich das Recht vor, jederzeit zusätzliche Zahlstellen

§ 6
The Principal Paying Agent, additional Paying Agents and the Calculation Agent

(1) *Appointment*; *Specified Office*. The initial principal paying agent (the "**Principal Paying Agent**") and the initial calculation agent (the "**Calculation Agent**") and their respective initial specified offices are:

Principal Paying Agent:

Citibank Europe plc
1 North Wall Quay
Dublin 1
Ireland

Calculation Agent:

Citibank Europe plc
1 North Wall Quay
Dublin 1
Ireland

The Principal Paying Agent, any Paying Agent and the Calculation Agent reserve the right at any time to determine, instead of their respective specified offices, another office in the same country.

(2) *Variation or Termination of Appointment*. The Issuer reserves the right at any time to appoint additional paying agents (together

(gemeinsam mit der Hauptzahlstelle, die "**Zahlstellen**" und jede eine "**Zahlstelle**") zu benennen. Die Emittentin behält sich ferner das Recht vor, die Ernennung der Hauptzahlstelle, anderer Zahlstellen und der Berechnungsstelle jederzeit anders zu regeln oder zu beenden.

Die Emittentin wird sicherstellen, dass jederzeit (i) eine Berechnungsstelle, (ii) eine Zahlstelle mit einer Geschäftsstelle in einem Land auf dem europäischen Festland und (iii) so lange die Schuldverschreibungen auf Veranlassung der Emittentin an einer Börse notiert werden, eine Zahlstelle mit einer benannten Geschäftsstelle in dem von der betreffenden Börse vorgeschriebenen Land bestimmt ist. Bekanntmachungen hinsichtlich aller Veränderungen im Hinblick auf eine Zahlstelle und die Berechnungsstelle erfolgen unverzüglich durch die Emittentin gemäß § 12.

with the Principal Paying Agent, the "**Paying Agents**" and each a "**Paying Agent**"). The Issuer further reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent, other Paying Agents and the Calculation Agent.

The Issuer will ensure that (i) a Calculation Agent (ii) a Paying Agent with an office in a continental European country and (iii) so long as the Notes are listed on a stock exchange at the initiative of the Issuer, a Paying Agent with a specified office in such country as may be required by the rules of the relevant stock exchange, are determined at all times. Notices of all changes with respect to any Paying Agent and the Calculation Agent will be given promptly by the Issuer in accordance with § 12.

(3) *Beauftragte der Emittentin.* Die Zahlstelle(n) und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber dem Gläubiger; es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und dem Gläubiger begründet.

(3) *Agents of the Issuer*. The Paying Agent(s) and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards the Holder; no relationship of agency or trust is established between these agents and the Holder.

(4) Wenn die Emittentin gemäß diesen Anleihebedingungen einen Unabhängigen Berater bestellt, dann ist § 6 (3) entsprechend auf den Unabhängigen Berater anzuwenden.

(4) If the Issuer appoints an Independent Adviser in accordance with these Terms and Conditions, § 6 (3) shall apply *mutatis mutandis* to the Independent Adviser.

§ 7
Steuern

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in dem Staat, in dem die Emittentin steuerlich ansässig ist, oder von einer seiner Gebietskörperschaften oder

§ 7
Taxes

All amounts payable in respect of the Notes shall be paid without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed, levied, collected, withheld, assessed, or charged by way of withholding or deduction by or in the country in which the Issuer is tax resident or any of its local

einer seiner zur Erhebung von Steuern berechtigten Behörden oder sonstigen Stellen auferlegt, eingezogen, einbehalten, festgesetzt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Im Fall des Einbehalts oder Abzugs in Bezug auf Zinszahlungen (nicht jedoch Zahlungen auf Kapital) wird die Emittentin (vorbehaltlich § 3 (8)) diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die die Gläubiger ohne einen solchen Einbehalt oder Abzug erhalten hätten; die Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben,

authorities, tax authorities or other bodies entitled to charge taxes, unless such withholding or deduction is required by law. In the event of such withholding or deduction on payments of interest (but not in respect of the payment of any principal), the Issuer shall (subject to § 3 (8)) pay such additional amounts ("**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction, shall equal the respective amounts which would otherwise have been receivable by the Holders in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties:

(a) die wegen einer Verbindung des betreffenden Gläubigers zu dem Staat, in dem die Emittentin steuerlich ansässig ist, die nicht nur aus der bloßen Inhaberschaft der Schuldverschreibungen besteht, einzubehalten oder abzuziehen sind; oder

(a) which are to be withheld or deducted by reason of the relevant Holder having some connection with the Issuer's country of domicile for tax purposes other than the mere holding of that Note; or

(b) deren Einbehalt oder Abzug ein Gläubiger durch Vorlage eines Formulars oder einer Bescheinigung und/oder durch Abgabe einer Nichtansässigkeitserklärung oder Inanspruchnahme einer vergleichbaren Ausnahme oder Geltendmachung eines Erstattungsanspruches hätte vermeiden können, aber nicht vermieden hat; oder

(b) the withholding or deduction of which a Holder would be able to avoid by presenting any form or certificate and/or making a declaration of non-residence or similar claim for exemption or refund but has failed to do so; or

(c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig ist oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen

(c) which are to be withheld or deducted pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which the Issuer's country of domicile for tax purposes or the European Union is a party, or (iii) any provision of law implementing, or complying with such directive, regulation, treaty, agreement or understanding; or

umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(d) die anders als durch Einbehalt oder Abzug durch oder für die Emittentin erhoben werden; oder

(e) im Falle einer Kombination der vorgenannten Varianten.

Die Emittentin ist nicht verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Gläubiger anderweitig in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

(d) which are imposed other than by withholding or deduction by or on behalf of the Issuer or the Paying Agent; or

(e) in the case of any combination of the above items.

The Issuer will not have any obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party in relation to any withholding or deduction of any amounts pursuant to the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (as amended from time to time, or pursuant to any 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**"), or to otherwise indemnify any Holder in relation to any FATCA Withholding.

§ 8
Vorlegungsfrist, Verjährung

Die in § 801 Absatz 1 Satz 1 Bürgerliches Gesetzbuch (BGB) bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf 10 Jahre verkürzt. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der Vorlegungsfrist an.

§ 8
Term of presentation, Prescription

The presentation period provided in § 801 (1) sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*) is reduced to 10 years for the Notes. The period for prescription for claims under the Notes presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

§ 9
Änderung der Anleihebedingungen, Gemeinsamer Vertreter

(1) *Änderung der Anleihebedingungen.* Die Gläubiger können, vorbehaltlich der Einhaltung der aufsichtsrechtlichen

§ 9
Amendments to the Terms and Conditions, Joint Representative

(1) *Amendment to the Terms and Conditions*. In accordance with the German Act on Issues of Debt Securities (*Gesetz über*

Voraussetzungen für die Anerkennung der Schuldverschreibungen als Bestandteile des Tier 2-Kapitals und (falls nach den Anwendbaren Aufsichtsrechtlichen Anforderungen erforderlich) der Zustimmung der Zuständigen Aufsichtsbehörde, entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – "**SchVG**") durch einen Beschluss mit der in § 9 (2) bestimmten Mehrheit über einen im SchVG zugelassenen Gegenstand eine Änderung der Anleihebedingungen mit der Emittentin vereinbaren. Die Emittentin wird die Zuständige Aufsichtsbehörde vor Durchführung der Abstimmung von den zur Abstimmung vorzulegenden Änderungen der Anleihebedingungen unterrichten. Zur Klarstellung: Die Anleihebedingungen können nicht ohne Zustimmung der Emittentin geändert werden.

Schuldverschreibungen aus Gesamtemissionen – "**SchVG**"), the Holders may, subject to compliance with the requirements of regulatory law for the recognition of the Notes as items of the Tier 2 Capital and (if necessary under Applicable Supervisory Requirements) the consent of the Competent Supervisory Authority, agree with the Issuer on amendments to the Terms and Conditions with regard to matters permitted by the SchVG by resolution with the majority specified in § 9 (2). The Issuer will notify the Competent Supervisory Authority of amendments to the Terms and Conditions to be submitted for voting prior to the voting. For the avoidance of doubt, the Terms and Conditions may not be amended without the consent of the Issuer.

Die Mehrheitsbeschlüsse der Gläubiger sind für alle Gläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluss der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn, die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

Majority resolutions of the Holders shall be equally binding on all Holders. A majority resolution of the Holders which does not provide for identical conditions for all Holders is void, unless Holders who are disadvantaged have expressly consented to being treated disadvantageously.

(2) *Mehrheitserfordernisse.* Die Gläubiger entscheiden mit einer Mehrheit von 75 % der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen nicht geändert wird und die keinen Gegenstand des § 5 Absatz 3 Nr. 1 bis Nr. 9 SchVG betreffen, bedürfen zu ihrer Wirksamkeit einer einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte.

(2) *Majority*. Resolutions shall be passed by a majority of not less than 75 per cent. of the voting rights participating in the voting. Resolutions relating to amendments to the Terms and Conditions which are not material and which do not relate to the matters listed in § 5 (3) nos. 1 to 9 SchVG require a simple majority of the voting rights participating in the vote to be effective.

(3) *Abstimmung ohne Versammlung.* Alle Abstimmungen werden ausschließlich im Wege der Abstimmung ohne Versammlung

(3) *Vote Without a Meeting*. All votes will be made exclusively by vote taken without a meeting. A meeting of Holders and the

durchgeführt. Eine Gläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18 Absatz 4 Satz 2 SchVG statt.

assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18 (4) sentence 2 SchVG.

(4) *Leitung der Abstimmung.* Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der gemeinsame Vertreter der Gläubiger zur Abstimmung aufgefordert hat, vom gemeinsamen Vertreter geleitet.

(4) *Chair of the Vote*. The vote will be chaired by a notary appointed by the Issuer or, if the Holders' joint representative has convened the vote, by the joint representative.

(5) *Stimmrecht.* An Abstimmungen der Gläubiger nimmt jeder Gläubiger nach Maßgabe des aktuellen Nennbetrags oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil. Das Stimmrecht ruht, solange die Schuldverschreibungen der Emittentin oder einem mit ihr verbundenen Unternehmen (im Sinne von § 271 Absatz 2 HGB) zustehen oder für Rechnung der Emittentin oder eines mit ihr verbundenen Unternehmen gehalten werden. Für den Nachweis der Berechtigung zur Teilnahme an der Abstimmung reicht ein auf den Tag der Abstimmung datierter, in Textform erstellter besonderer Nachweis der Depotbank des jeweiligen Gläubigers gemäß § 14 (3) aus. Kann nur ein auf einen früheren Tag datierter Nachweis beigebracht werden, ist zusätzlich zu einem solchen Nachweis die Vorlage eines Sperrvermerks der Depotbank des jeweiligen Gläubigers erforderlich, aus dem hervorgeht, dass die relevanten Schuldverschreibungen für den Zeitraum ab dem Datum der Bestätigung bis zum Zeitpunkt der Stimmabgabe nicht übertragen werden können.

(5) *Voting Right*. Each Holder participating in any vote shall cast votes in accordance with the current nominal amount or the notional share of its entitlement to the outstanding Notes. The voting right is suspended as long as the Notes are attributable to the Issuer or an affiliate (within the meaning of § 271 (2) HGB) or are held for the account of the Issuer or an affiliate. Special confirmation in text form dated the date of the vote from the Custodian of the relevant Holder is sufficient evidence in accordance with § 14 (3) of the eligibility to participate in such vote. If such a confirmation can only be provided dated on an earlier date, then, in addition to such confirmation, a blocking instruction from the Custodian of the relevant Holder is required, which evidences that the relevant Notes are not able to be transferred during the period from the date of such confirmation until the time of the vote.

(6) *Gemeinsamer Vertreter*.

Die Gläubiger können durch Mehrheitsbeschluss zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für

(6) *Joint Representative.*

The Holders may by majority resolution appoint a joint representative to exercise the Holders' rights on behalf of each Holder.

alle Gläubiger bestellen.

Ist der gemeinsame Vertreter zur Beschlussfassung zu Änderungen berechtigt, die einer qualifizierten Mehrheit nach § 9 (2) bedürfen, bedarf die Bestellung des gemeinsamen Vertreters derselben qualifizierten Mehrheit.

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Gläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Gläubiger ermächtigt ist, sind die einzelnen Gläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn, der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Gläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des gemeinsamen Vertreters gelten die Vorschriften des SchVG.

If the joint representative is authorized to resolve on a change that requires a qualified majority pursuant to § 9 (2), the appointment of the joint representative also requires such qualified majority.

The joint representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The joint representative shall comply with the instructions of the Holders. To the extent that the joint representative has been authorized to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The joint representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the removal and the other rights and obligations of the joint representative.

§ 10
Ersetzung der Emittentin

(1) *Ersetzung*. Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Gläubiger eine andere Gesellschaft, die direkt oder indirekt von der Emittentin kontrolliert wird, als neue Emittentin für alle sich aus oder im Zusammenhang mit den Schuldverschreibungen ergebenden Verpflichtungen mit schuldbefreiender Wirkung für die Emittentin an die Stelle der Emittentin zu setzen (die "**Neue Emittentin**"), sofern

(a) die Neue Emittentin sämtliche Verpflichtungen der Emittentin aus oder im Zusammenhang mit den Schuldverschreibungen übernimmt und, sofern eine Zustellung an die

§ 10
Substitution of the Issuer

(1) *Substitution*. The Issuer may at any time, without the consent of the Holders, substitute for the Issuer any other company which is directly or indirectly controlled by the Issuer, as new issuer (the "**New Issuer**") in respect of all obligations arising under or in connection with the Notes with the effect of releasing the Issuer of all such obligations, if:

(a) the New Issuer assumes any and all obligations of the Issuer arising under or in connection with the Notes and, if service of process vis-à-vis the New Issuer would have to

Neue Emittentin außerhalb der Bundesrepublik Deutschland erfolgen müsste, einen Zustellungsbevollmächtigten in der Bundesrepublik Deutschland bestellt;

be effected outside the Federal Republic of Germany, appoints a process agent within the Federal Republic of Germany;

(b) die Neue Emittentin in der Lage ist, sämtliche Beträge in der Festgelegten Währung an das Clearing System oder die Zahlstelle(n) zu zahlen, die zur Erfüllung aus oder im Zusammenhang mit den Schuldverschreibungen bestehenden Zahlungsverpflichtungen zu zahlen sind, und zwar ohne Abzug oder Einbehalt von Steuern oder sonstigen Abgaben jedweder Art, die von dem Land (oder den Ländern), in dem (in denen) die Neue Emittentin steuerlich ansässig ist, auferlegt, eingezogen, einbehalten, festgesetzt oder erhoben werden;

(b) the New Issuer is in the position to pay to the Clearing System or the Paying Agent(s) all amounts in the Specified Currency required for the performance of the payment obligations arising from or in connection with the Notes, without deducting or withholding any taxes or other duties of whatever nature imposed, levied, collected, withheld, assessed or charged by the country (or countries) in which the New Issuer has its domicile for tax purposes;

(c) die Emittentin unwiderruflich die Verpflichtungen der Neuen Emittentin aus den Schuldverschreibungen zu Bedingungen garantiert, die sicherstellen, dass vorbehaltlich der Regelungen dieses § 10 jeder Gläubiger wirtschaftlich so gestellt wird, wie er ohne die Ersetzung stehen würde;

(c) the Issuer irrevocably guarantees such obligations of the New Issuer under the Notes on terms which ensure that, without prejudice to the provisions of this § 10, each Holder will be placed in the position which the Holder would be in economically as if the substitution had not taken place;

(d) die Ersetzung nicht zu dem Eintreten eines Rechts der Neuen Emittentin zur Rückzahlung der Schuldverschreibungen gemäß § 4 (3) (a) führt;

(d) the substitution would not result in a right of the New Issuer to redeem the Notes in accordance with § 4 (3) (a);

(e) die Rückzahlungsbedingungen, die für die Ersetzung entsprechende Anwendung finden, zum Zeitpunkt der Ersetzung erfüllt sind;

(e) the Conditions to Redemption, which shall apply *mutatis mutandis* to the substitution, are fulfilled at the time of the substitution;

(f) die Zuständige Aufsichtsbehörde ihre nach Maßgabe der Anwendbaren Aufsichtsrechtlichen Anforderungen erforderliche Zustimmung zur Ersetzung erteilt und bis zum

(f) the Competent Supervisory Authority has given, and not withdrawn until the substitution becoming effective, its consent to the substitution, as required, under

Wirksamwerden der Ersetzung nicht widerrufen hat; und

(g) die Ersetzung im Einklang mit den Anwendbaren Aufsichtsrechtlichen Anforderungen erfolgt.

(2) *Bezugnahmen*. Im Fall einer Ersetzung der Emittentin gemäß § 10 (1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Neue Emittentin.

Klarstellend sei erwähnt, dass dies nur gilt, soweit sich nicht aus Sinn und Zweck der jeweiligen Bedingung ergibt, dass die Bezugnahme entweder weiterhin nur auf die Wüstenrot & Württembergische AG erfolgen soll (also insbesondere im Hinblick auf die Solo-Solvabilität der Emittentin bzw. der Gruppen-Solvabilität der Gruppe, das Insolvenzereignis, das Dividendenereignis, das Ratingagenturereignis, das Rechnungslegungsereignis und § 11 (2)), oder dass die Bezugnahme auf die Neue Emittentin und gleichzeitig auch auf die Wüstenrot & Württembergische AG, im Hinblick auf deren jeweilige steuerliche Ansässigkeit und die Verpflichtungen aus der Garantie gemäß § 10 (1) (c), erfolgen soll (z. B. Steuerereignis).

(3) *Bekanntmachung und Wirksamwerden der Ersetzung.* Die Ersetzung der Emittentin ist den Gläubigern gemäß § 12 bekanntzumachen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Fall einer wiederholten Anwendung dieses § 10 jede frühere Neue Emittentin von ihren sämtlichen Verpflichtungen aus den Schuldverschreibungen frei.

the Applicable Supervisory Requirements; and

(g) the substitution is made in accordance with the Applicable Supervisory Requirements.

(2) *References*. In the event of a substitution of the Issuer pursuant to § 10 (1), any reference in these Terms and Conditions to the Issuer shall be a reference to the New Issuer.

For the avoidance of doubt, this shall apply only to the extent that the meaning and purpose of the relevant condition does not require that the relevant reference shall continue to be a reference only to Wüstenrot & Württembergische AG (i.e. in particular for solo solvency purposes of the Issuer or for group solvency purposes of the Group, the Insolvency Event, the Dividend Payment Event, the Rating Agency Event, the Accounting Event and § 11 (2)), or that the reference shall be to the New Issuer and Wüstenrot & Württembergische AG, in relation to their respective domicile for tax purposes and to the obligations under the guarantee pursuant to § 10 (1) (c), at the same time (e.g. Tax Event).

(3) *Notice and Effectiveness of Substitution.* Notice of any substitution of the Issuer shall be given to the Holders in accordance with § 12. Upon such publication of the substitution, the substitution shall become effective, and the Issuer and in the event of a repeated application of this § 10, any previous New Issuer shall be discharged from any and all obligations under the Notes.

§ 11
Begebung weiterer Schuldverschreibungen, Rückkauf und Entwertung

(1) *Begebung weiterer Schuldverschreibungen*. Die Emittentin ist berechtigt, ohne Zustimmung der Gläubiger nach Maßgabe der Anwendbaren Aufsichtsrechtlichen Anforderungen weitere Schuldverschreibungen mit gleicher Ausstattung wie die Schuldverschreibungen (sofern erforderlich, mit Ausnahme des Tages der Begebung, des Verzinsungsbeginns und/oder des Ausgabekurses) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden. Eine solche Aufstockung darf nur vorgenommen werden, wenn sie nicht die Emittentin zur Kündigung und Rückzahlung der Schuldverschreibungen nach § 4 (3) (a) berechtigt. Der Begriff "Schuldverschreibungen" umfasst im Fall einer solchen Aufstockung auch solche zusätzlich begebenen Schuldverschreibungen.

(2) *Rückkauf*. Die Emittentin und ihre Tochterunternehmen sind (vorbehaltlich der Erfüllung der Rückzahlungsbedingungen) jederzeit berechtigt, Schuldverschreibungen zu jedem beliebigen Kurs zu kaufen (jeweils ein "**Rückkauf**"). Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.

(3) *Erwerb für fremde Rechnung; OGAW*. Die Rückzahlungsbedingungen müssen im Falle von Rückkäufen nicht erfüllt sein, soweit verbundene Unternehmen der Emittentin die Schuldverschreibungen für fremde Rechnung oder für Organismen für gemeinsame Anlagen in Wertpapieren

§ 11
Further Issues, Repurchases and Cancellation

(1) *Further Issues of Notes*. The Issuer may, without the consent of the Holders and pursuant to the Applicable Supervisory Requirements, issue further Notes having the same terms and conditions as the Notes (if necessary, except for the date of issue, the interest commencement date and/or the issue price) so as to form a single series with the Notes. Such an increase shall only be permissible if it does not entitle the Issuer to call and redeem the Notes in accordance with § 4 (3) (a). The term "Notes" shall, in the event of such increase, also comprise such further notes.

(2) *Repurchase*. The Issuer and any of its subsidiaries may (subject to the Conditions to Redemption being fulfilled) at any time purchase Notes at any price (each a "**Repurchase**"). Notes acquired by the Issuer may, at the option of the Issuer, be held, resold or surrendered by it to the Paying Agent for cancellation.

(3) *Purchase for the Account of a Third Party; UCITS*. The Conditions to Redemption do not have to be fulfilled for any Repurchases made by affiliates of the Issuer for the account of a third party or for Undertakings for Collective Investment in Transferable Securities (UCITS), unless the majority of

(OGAW) erwerben, es sei denn, die Anteile an diesen OGAW werden mehrheitlich von der Emittentin oder einer ihrer verbundenen Unternehmen gehalten.

the shares in the relevant UCITS are held by the Issuer or one of its affiliates.

§ 12
Mitteilungen

(1) *Veröffentlichungen*. Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, werden (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internet-Seite der Luxemburger Börse (derzeit www.bourse.lu) veröffentlicht. Jede solche Mitteilung gilt am Tag der ersten Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System*. Solange Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind, findet § 12 (1) Anwendung. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach § 12 (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.

§ 12
Notices

(1) *Publications*. All notices regarding the Notes will be published (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange (currently www.bourse.lu). Any such notice will be deemed to have been validly given for all purposes on the date of the first such publication.

(2) *Notifications to Clearing System*. So long as any Notes are listed on the Luxembourg Stock Exchange, § 12 (1) shall apply. To the extent the rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, instead of publication pursuant to § 12 (1) above; any such notice shall be deemed to have been given to the Holders on the fifth day after the day on which the notice was given to the Clearing System.

§ 13
Zweck der Schuldverschreibungen

Zweck der Schuldverschreibungen ist die Überlassung von Tier 2-Kapital an die Emittentin auf individueller und konsolidierter Basis (Solo-Solvabilität und Gruppen-Solvabilität).

§ 13
Purpose of the Notes

The purpose of the Notes is to furnish the Issuer with Tier 2 Capital on an individual and consolidated basis (solo solvency and group solvency).

§ 14
Anwendbares Recht und Gerichtsstand

(1) *Anwendbares Recht*. Form und Inhalt der Schuldverschreibungen sowie die Rechte

§ 14
Applicable Law and Place of Jurisdiction

(1) *Applicable Law*. The Notes, as to form and content, and all rights and obligations of the

und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

Holders and the Issuer, shall be governed in all respects by German law.

(2) *Gerichtsstand*. Vorbehaltlich eines zwingenden Gerichtsstandes für besondere Rechtsstreitigkeiten im Zusammenhang mit dem Gesetz über Schuldverschreibungen aus Gesamtemissionen in seiner jeweils geltenden Fassung ist das Landgericht Frankfurt am Main, Bundesrepublik Deutschland ausschließlich zuständig für sämtliche aus oder im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstigen Verfahren ("**Rechtsstreitigkeiten**").

(2) *Jurisdiction*. Subject to any exclusive court of venue for specific legal proceedings in connection with the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*), as amended from time to time, the regional court (*Landgericht*) in Frankfurt am Main, Federal Republic of Germany, shall have exclusive jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Notes.

(3) *Gerichtliche Geltendmachung*. Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) indem er eine Bescheinigung der Depotbank (wie nachfolgend definiert) beibringt, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den gesamten aktuellen Nennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind, und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, welche die vorstehend unter (a) und (b) bezeichneten Informationen enthält und Bestätigungsvermerke des Clearing Systems sowie des jeweiligen Kontoinhabers des Clearing Systems trägt, und (ii) indem er eine Kopie der Globalurkunde vorlegt, deren

(3) *Judicial Enforcement*. Any Holder of Notes may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate current nominal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and bearing acknowledgement of the Clearing System and the relevant the Clearing System account holder and (ii) a copy of the Global Note certified as being a true copy by an authorized officer of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note.

Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der Globalurkunde in einem solchen Verfahren erforderlich wäre.

"**Depotbank**" bezeichnet jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben, und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems.

"**Custodian**" means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System.

§ 15
Sprache

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

§ 15
Language

These Terms and Conditions are written in the German language. An English language translation is included. The German text shall prevail and shall be binding. The English language translation is provided for convenience only.

3 USE OF PROCEEDS

The purpose of the Notes is to furnish the Issuer with Tier 2 Capital on an individual and consolidated basis (solo solvency and group solvency).

4 DESCRIPTION OF W&W AG AND W&W GROUP

4.1 Information about the Issuer

4.1.1 General information about the Issuer

The Issuer's legal name is "Wüstenrot & Württembergische AG". The Issuer is registered in the German Commercial Register (*Handelsregister* - the "**Commercial Register**") of the local court (*Amtsgericht*) of Stuttgart under registration number HRB 20203 as a stock corporation under the laws of the Federal Republic of Germany with unlimited duration. Its business address is Gutenbergstraße 30, 70176 Stuttgart, Germany. The Issuer is the holding company of Wüstenrot & Württembergische Group ("**W&W Group**"), a financial conglomerate (*Finanzkonglomerat*) as defined in sec. 1 German Supervision of Financial Conglomerates Act (*Finanzkonglomerate-Aufsichtsgesetz*). The Issuer's Legal Entity Identifier (LEI) is 5299003H07ZT0Z5ZNN35.

W&W Group's mortgage lending and home savings business is primarily conducted by Wüstenrot Bausparkasse AG and its material subsidiaries, while the insurance business is conducted by Württembergische Versicherung AG, Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG.

The Issuer may be reached at its business address as well as by phone (+49 (0)711 6620) or by E-mail under info@ww-ag.com. The W&W Group's website is https://www.ww-ag.com/de. The information on this website, unless incorporated by reference elsewhere in this Prospectus, is not part of this Prospectus.

4.1.2 Corporate history and development of the Issuer

The Issuer was first registered in the Commercial Register on May 3, 1999 under German law. Since September 1999, the Issuer's shares are listed on the Regulated Market (*Regulierter Markt*) of the Frankfurt and Stuttgart Stock Exchanges under ISIN DE0008051004.

4.1.3 Statutory purpose and share capital of the Issuer

According to the records of the Commerical Register, the purpose of the Issuer is (a) the management of a group of companies primarily from the financial services sector, which are in particular active, also by means of digital business models, in the business areas of home savings, construction financing, damage insurance, reinsurance, investment products, real estate and retail banking in Germany and abroad; (b) the provision of services to companies that are related to the Issuer within the meaning of §§ 15 *et seq.* German Stock Corporation Act (*Aktiengesetz*) or in which the Issuer holds a direct or indirect interest; (c) the operation of reinsurance - also by means of digital business models - in all areas of business in Germany and abroad; and (d) the acquisition and sale of securities, real estate and other assets within the scope of capital investment.

Within the scope of its purpose, the Issuer is entitled to take out loans and issue bonds.

The Issuer is entitled to enter into any transactions and to take all steps which are in connection with or appear to be directly or indirectly suitable to promote its purpose. The Issuer may establish branches and subsidiaries within Germany and abroad. The Issuer may undertake all legal transactions that could be useful in achieving or promoting the purposes of the Issuer.

The Issuer may limit the actual scope of its activities to one or several parts of its corporate purpose.

The Issuer's registered share capital amounts to EUR 490,311,035.60 and is divided into 93,749,720 non-par-value shares, which carry equal participation interest in the share capital of the Issuer. All shares are registered shares (*Namensaktien*). The share capital of the Issuer is fully paid in.

4.1.4 Statutory auditors

The independent auditor of the Issuer is Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Germany ("**EY**"), a member of the German Chamber of Auditors (*Wirtschaftsprüferkammer*). EY audited the German-language originals of the annual consolidated financial statements as of and for the financial year ended December 31, 2020 (the "**Annual Report 2020 of W&W AG**") prepared in accordance with IFRS. EY issued an unqualified auditor's report (*uneingeschränkter Bestätigungsvermerk*).

KPMG AG Wirtschaftsprüfungsgesellschaft ("**KPMG**"), Berlin, Germany, a member of the Chamber of Public Accountants (*Wirtschaftsprüferkammer*), has audited the financial statements of German-language originals of the

annual consolidated financial statements as of and for the financial year ended December 31, 2019 (the "**Annual Report 2019 of W&W AG**") prepared in accordance with IFRS. KPMG issued an unqualified auditor's report (*uneingeschränkter Bestätigungsvermerk*).

4.2 Business Overview of W&W Group

4.2.1 Principal Activities of the W&W Group

W&W Group considers itself to be among the top German life and property insurers and its main focus is on private and corporate customers. W&W Group provides financial services, particularly in the business areas of home savings, construction financing, personal insurance, investment products, real estate, and private banking in Germany and abroad. In Germany, W&W Group considers itself being ranked number two in the business area of home savings (Bausparen), number twelve in the business area of life insurance and number nine in the business area of property and casualty insurance in 2020. In addition, W&W Group is active in the provision of services to companies affiliated with the Issuer, as well as the operation of reinsurance, the acquisition and sale of securities, real estate and other assets in the context of capital investment.

W&W AG, head-quartered in Stuttgart, Germany, is the Group's strategic management holding company. It coordinates all activities, sets standards and manages capital. As an individual entity, its operations are almost exclusively restricted to reinsuring the insurance policies underwritten by the Group. It also renders services for the Group as a whole.

With a total of 6,366 employees and more than 6,000 sales agents, of which approximately 3,000 are tied with Württembergische Versicherung AG and approximately 3,000 are tied with Wüstenrot Bausparkasse AG, W&W Group serves approximately 6.685 million customers accros its various business divisions. In addition, W&W Group has partnerships and cooperations with approximately 10,000 brokers.

4.2.2 Business Divisions of W&W Group

W&W is active in three areas of business: 'Housing', 'Insurance' and 'w&w brandpool'. The combination of these business areas enables the W&W Group to meet all requirements for precautionary financial measures from one source. Here, the focus is on private and business clients in the core market of Germany.

The Housing division (Wüstenrot) bundles all offers relating to home loan and savings, construction financing, property development or real estate brokerage, as well as supplementary services from cooperation partners.

The Insurance division (The Württembergische) includes insurance-related products and services: property and casualty insurance, life and pension insurance or long-term care and health insurance.

The new digital activities of the W&W Group have been combined in the 'w&w brandpool' division since 2018. It is also dedicated to financial planning and invests in innovative, digital business models in the areas of housing, finance, health, family, education and mobility. The goal is to create an ecosystem of decentralised and independent brands.

4.2.3 W&W Group's Strategic Key Performance Indicators

W&W intents to generate group net profit in accordance with IFRS standards of EUR 220 million to EUR 250 million in the long term and an annual result of W&W AG in accordance with HGB of at least EUR 100 million. Furthermore, W&W aims to maintain a growth rate in its business divisions that is above the market average and to increase productivity on group level by an average of 5 per cent. per annum. W&W Group also has the target of W&W's internal employee satisfaction index of at least 75 per cent. and to serve more than 6.5 million customers.

4.2.4 W&W Group's Sustainability Goals

In addition, W&W Group is in the process of implementing several goals with regard to sustainability. These include, in particular, the implementation of "green" product features and components in all business areas, an increased consideration of social and environmental considerations into the investment strategy, an ongoing reduction of the capital investments' carbon emissions, and the reduction of printing and consumption. W&W Group has the goal of making the own operations emission-free and to increase employer attractiveness and employee satisfaction through the "Future of Work" package and the Diversity Charter (flexible work and diversity). W&W Group intents to continue being a strong sponsor of cultural, sporting, social and regional offerings as well as expanding educational partnerships. On an organizational level, W&W implemented sustainability through a Sustainability Board as well as a sustainability officer.

4.3 Simplified Overview of the W&W Group Structure

W&W AG is the parent company of the W&W Group. The following overview is simplified. It focuses on major operating entities and does not contain all entities of the W&W Group. Also, it does not show whether a shareholding is direct or indirect. This overview shows the status as of June 30, 2021.

4.4 Financial Information

4.4.1 Historical Financial Information

The Annual Report 2020 of W&W AG together with the auditors' report thereon are incorporated by reference into this Prospectus (see "*8.1 Documents Incorporated by Reference*" below) to the extent as set out in the paragraph entitled "*8.2 Cross-Reference List of Documents Incorporated by Reference"* below.

The Annual Report 2019 of W&W AG together with the auditors' report thereon are incorporated by reference into this Prospectus (see "*8.1 Documents Incorporated by Reference*" below) to the extent as set out in the paragraph entitled "*8.2 Cross-Reference List of Documents Incorporated by Reference"* below.

The Interim Report as at June 30, 2021 of W&W AG for the 6-month period ended June 30, 2021 are incorporated by reference into this Prospectus (see "*8.1 Documents Incorporated by Reference*" below) to the extent as set out in the paragraph entitled "*8.2 Cross-Reference List of Documents Incorporated by Reference"* below.

The financial information regarding the Issuer in this Prospectus has been taken or derived from the Annual Report 2020 of W&W AG and Annual Report 2019 of W&W AG, the Interim Report as at June 30, 2021 of W&W AG for the 6-month period ended June 30, 2021 and the Issuers' accounting records or internal management reporting systems. The financial information regarding the Issuer presented in this Prospectus for the fiscal year ended December 31, 2019 was taken from the comparative prior-year figures contained in the Annual Report 2020 of W&W AG to the extent available.

Key figures last 5 years (in EUR million, except as otherwise stated)	**As of and for the fiscal year ended December 31, 2016**	**As of and for the fiscal year ended December 31, 2017**	**As of and for the fiscal year ended December 31, 2018**	**As of and for the fiscal year ended December 31, 2019**	**As of and for the fiscal year ended December 31, 2020**
Gross premiums written W&W Group	3,988.8	3,873.4	4,065.4	4,319.7	4,491.0
Gross premiums written Life & Health	2,315.8	2,128.4	2,224.5	2,372.7	2,445.7
Gross premiums written Property & Casualty	1,678.3	1,751.0	1,847.8	1,954.4	2,054.7
New construction financing business	5,388.5	5,517.5	6,280.2	6,347.7	6,748.8
P&C combined ratio (gross)	90.1 per cent.	90.7 per cent.	89.5 per cent.	89.4 per cent.	90.6 per cent.
Consolidated net profit	235.3	258.0	215.2	249.1	210.8
Total assets (EUR billion)	72.3	72.0	72.0	75.2	76.5
IFRS Equity (EUR billion)	3.8	4.0	4.2	4.8	5.1
Solvency II (incl. Transitional measures)	194 per cent.	201 per cent.	255 per cent.	238 per cent.	233 per cent.
W&W Group Financial Strength Rating (S&P)	A- stable	A- stable	A- stable	A- stable	A- stable

Within the Insurance division, gross premiums written have increased by 8,8 per cent. in the period from June 30, 2020, until June 30, 2021, and are split up as follows:

Gross premiums written (in EUR million)	**January 1 to June 30, 2020**	**January 1 to December 31, 2020**	**January 1 to June 30, 2021**
Health	136	273	142
Life	1,055	2,173	1,186
Property/Casualty	1,327	2,055	1,414
Total	**2,518**	**4,501**	**2,742**

W&W Group has a strong financial flexibility thanks to a very low financial leverage of 6 per cent.

4.4.2 Capitalization and Financial Indebtedness of W&W AG

Liabilities (in EUR 1,000)	**December 31, 2019**	**December 31, 2020**	**June 30, 2021**
Liabilities	26,320,204	27,825,524	27,489,331
Subordinated capital	424,850	343,162	350,121
Interests of W&W shareholders in paid-in capital	1,486,514	1,486,463	1,485,588

4.4.3 Investment Portfolio of W&W Group

Investment portfolio by asset class (in EUR million, unless otherwise specified)	**As of June 30, 2021**	**Percentage share**
Fixed Income	40,570	85 per cent.
Real Estate	2,687	6 per cent.
Alternative Assets	2,309	5 per cent.
Cash	1,362	3 per cent.
Equities	947	2 per cent.

Investment portfolio by geography (in EUR million, unless otherwise specified)	**As of June 30, 2021**	**Percentage share**
DE/AT	19,829	41 per cent.
BeNeLux	6,548	14 per cent.
France	4,027	8 per cent.
DK/FI/NO	4,192	9 per cent.
US/AU	3,768	8 per cent.
UK/IE	1,676.6	3 per cent.
IT/ES	1,446	3 per cent.
Supra	1,702	4 per cent.
Other	4,725	10 per cent.

Fixed income portfolio by instrument (in EUR million, unless otherwise specified)	**As of June 30, 2021**	**Percentage share**
(Sub-)Sovereign debt ex. EM	15,427	38 per cent.

Corp. Bonds - financials, senior secured	13,555	33 per cent.
Corp. Bonds - others	3,951	10 per cent.
Corp. Bonds - financials, senior unsecured	3,162	8 per cent.
Emerging markets	2,896	7 per cent.
Mortgages	1,829.3	4 per cent.
Other fixed income	-252	-1 per cent.

Fixed income portfolio by rating (in EUR million, unless otherwise specified)	**As of June 30, 2021**	**Percentage share**
AAA	13,630	35 per cent.
AA+	6,576	17 per cent.
AA	4,714	12 per cent.
AA-	2,519	6 per cent.
A+	1,312	3 per cent.
A	1,565.3	4 per cent.
A-	1,585	4 per cent.
BBB+	1,617	4 per cent.
BBB	1,305	3 per cent.
BBB-	1,628	4 per cent.
Non-IG / NR	2,835	7 per cent.

4.5 Alternative Performance Measures

This Prospectus contains non-IFRS measures and ratios which are not required by, or presented in accordance with, IFRS or the accounting standards of any other jurisdiction. The non-IFRS measures may not be comparable to other similarly titled measures of other companies and should be considered together with the W&W Group's IFRS results. Investors should rely on W&W Group's IFRS results, supplemented by its non-IFRS measures, to evaluate the performance of W&W Group. The Issuer believes that non-IFRS measures and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of operating performance and financial standing.

W&W Group uses the combined ratio as an alternative performance measure. The combined ratio represents the total of acquisition and administrative expenses (net) and claims and insurance benefits incurred (net) divided by premiums earned (net).

$$CR_{\text{PC Segment}} = \frac{\text{Acq. and admin. expenses (net)}^{1} + \text{Claims and ins. benefits inc. (net)}^{1}}{\text{Premiums earned (net)}^{1}}$$

[1] In insurance terminology the term "net" means after reinsurance ceded.

The combined ratio is typically expressed as a percentage. A ratio of below 100 per cent. indicates that the underwriting result is profitable, whereas a ratio of above 100 per cent. indicates an underwriting loss. The

combined ratio can be further broken down into the loss ratio and the expense ratio. The loss ratio represents claims and insurance benefits incurred (net) divided by premiums earned (net), and thus expresses the percentage of net earned premiums used to settle claims.

For the W&W Group, return on equity ("**RoE**") represents the ratio of net income attributable to shareholders to the average shareholders' equity at the beginning of the period and at the end of the period.

For the RoE calculation, the undated subordinated bonds are treated as subordinated liabilities. To achieve this, the value of these undated subordinated bonds is deducted from shareholders' equity. Net income attributable to shareholders is also adjusted to reflect the net financial charges related to undated subordinated bonds classified as shareholders' equity. These charges are recorded through shareholders' equity under IFRS.

Unrealized gains/losses on bonds net of shadow accounting are excluded from the average shareholders' equity.

$$\text{RoE W\&W Group} = \frac{\text{Net income attributable to shareholders}^{1}}{(\text{Shareholders' equity}^{2}\text{ beginning of period} + \text{Shareholders' equity}^{2}\text{ end of period})/2}$$

[1] Net income attributable to shareholders adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity.

[2] Shareholders' equity excluding undated subordinated bonds classified as shareholders' equity and excluding unrealized gains/losses on bonds net of shadow accounting.

Gross premiums written means the total premium (direct and assumed) written by an insurer before deductions for reinsurance and ceding commissions. Includes additional and/or return premiums. Written does not imply collected, but the gross policy premium to be collected as of the issue date of the policy, regardless of the payment plan.

Financial Leverage is obtained from gross financial debt divided by the sum of gross financial debt and equity at the end of the period. This ratio describes the financial structure and the level of relative indebtedness over the capital contributed by shareholders and funding entities.

$$\text{Financial Leverage} = \frac{\text{gross financial debt}}{(\text{gross financial debt} + \text{equity})}$$

4.6 Solvency and Regulatory Capital

4.6.1 Regulatory Background

The W&W Group is a financial conglomerate and an insurance group. For this purpose, several companies are consolidated for regulatory reporting. Therefore, the W&W Group is subject to a variety of regulatory requirements and is supervised accordingly. The insurance group of which W&W AG is the ultimate parent undertaking (the "**W&W Solvency II Group**" which is also referred to as the "**Group**" in the Terms and Conditions of the Notes) is covered by the scope of Solvency II, which entered into force on January 1, 2016.

The Solvency II framework imposes prudential requirements on a consolidated basis at the level of the W&W Solvency II Group as well on the solo basis at the level of the individual insurance and reinsurance undertakings in the W&W Solvency II Group. The main insurance and reinsurance undertakings in the W&W Solvency II Group are W&W AG, Württembergische Versicherung Aktiengesellschaft, Württembergische Krankenversicherung Aktiengesellschaft and Württembergische Lebensversicherung Aktiengesellschaft. Insurance supervision is exercised by national supervisors on the individual insurance and reinsurance undertakings of the W&W Solvency II Group and by the group supervisor at the level of the W&W Solvency II Group. The national supervisor for the supervision of W&W AG, Württembergische Versicherung Aktiengesellschaft, Württembergische Krankenversicherung Aktiengesellschaft and Württembergische Lebensversicherung Aktiengesellschaft as well as the group supervisor of the W&W Solvency II Group is the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**").

The Solvency II rules introduced economic, risk-based capital requirements for insurance and reinsurance undertakings in all EEA member states, as well as for groups with insurance and/or reinsurance activities in the

EEA. Solvency II comprehensively takes into account risks on the asset side and on the liability side, but also contains more detailed regulations for governance, risk management, risk assessment and risks associated with the other companies of the W&W Group.Solvency II is a holistic regulatory framework where the insurers' material risks and their interactions are considered.

The Solvency II framework is structured along three pillars. "Pillar 1" comprises quantitative requirements (including rules regarding the valuation of assets and liabilities such as technical provisions, risk capital requirements and own funds requirements) which apply on the level of the individual insurance and reinsurance undertakings as well as on a group level. "Pillar 2" requirements include governance and risk management requirements. "Pillar 3" consists of disclosure and supervisory reporting requirements, including the annual publication of a Solvency and Financial Condition Report (SFCR).

In connection with the review of the Solvency II framework ("**2020 Solvency II Review**"), the European Insurance and Occupational Pensions Authority ("**EIOPA**") and the European Commission conducted a number of consultations and impact assessments in 2020. The changes being discussed are associated with far-reaching modifications with respect to both the qualitative and the quantitative requirements for insurance companies. In December 2020, EIOPA sent the European Commission a proposal for the revision of Solvency II. The legislative proceedings are not expected to be concluded before the end of 2022.

In addition to prudential requirements under the Solvency II framework, as a result of its classification as financial conglomerate, the W&W Group is subject to additional prudential requirements on a W&W Group level. As parent undertaking of the financial conglomerate, W&W AG has to ensure compliance with these prudential requirements, including minimum requirements for own funds of the financial conglomerate.

4.6.2 Pillar 1 Requirements

The Pillar 1 requirements of the Solvency II framework require insurers and reinsurers to hold a sufficient amount of "eligible own funds" to cover losses in an adverse scenario. The amount of eligible own funds that insurance and reinsurance companies are required to hold is the solvency capital requirement ("**SCR**") which is calibrated to a confidence level of 99.5 per cent. (reflecting the ability of insurance or reinsurance undertakings to withstand a 1-in-200-year event) and a "holding period" of one year. In addition to the SCR, insurance and reinsurance undertakings also calculate a minimum capital requirement ("**MCR**"). This represents a lower level of financial security than the SCR, below which the level of eligible own funds held by the insurance or reinsurance undertaking is not allowed to drop. An irreparable or prolonged breach of the MCR would lead to a withdrawal of an insurance or reinsurance undertaking's license. Insurance and reinsurance undertakings are required to hold eligible own funds against the SCR and the MCR.

Pillar 1 requirements also apply on the level of the W&W Solvency II Group. The SCR at group level ("**Group SCR**") substantially consists of the sum of capital requirements (including diversification effects where applicable) from (a) entities applying standard models in accordance with Solvency II, (b) entities regulated under insurance regulation regimes that are deemed equivalent to Solvency II (to the extent they are not included in the Group based on an internal or the standard model), and (c) entities regulated otherwise (including banks, asset managers, and IORPs). Immaterial non-EEA (re)insurance entities are considered via book value deduction (Art. 229 Directive 2009/138/EC) and neither contribute to the Group SCR nor to the group's own funds. The MCR at group level ("**Group MCR**") represents the minimum consolidated group solvency capital requirement applicable to the W&W Solvency II Group, which is calculated as the sum of the solo MCR of all entities in the group included via an internal or standard model. Group entities that are (a) regulated under insurance regulation regimes that are deemed equivalent to Solvency II, and (b) financial institutions regulated otherwise (including banks, asset managers, and IORPs) are outside the scope of the Group MCR (i.e., there is no contribution of such entites to the Group MCR or the own-fund items eligible to cover the Group MCR).

Under the Terms and Conditions of the Notes, the Issuer may be obligated to defer redemption of the Notes or defer payment of interest on the Notes if eligible own funds of the Issuer and/or the W&W Solvency II Group are insufficient to cover the regulatory capital requirements applicable to the Issuer or the W&W Solvency II Group (see also "*1.2.1.10 The risks resulting from the Notes representing regulatory capital of the Issuer include risks resulting from the Notes being structured to meet the criteria to qualify as regulatory capital (basic own funds)*".).

4.6.3 Solvency Position of the Issuer and the W&W Group

The following tables illustrate the own funds, the solvency capitalization and the minimum capital requirements and the relavant ratios of the Issuer and the W&W Solvency II Group, as applicable, as of June 30, 2021 and as of December 31, 2020 and 2019.

Solvency capitalization and minimum capital requirements (in EUR 1 million)	**As of June 30,**	**As of December 31,**	
	2021	**2020**	**2019**
Solo SCR[1]	1,877	1,819	1,870
Group SCR[2]	2,877	2,938	2,867
Solo MCR[3]	469	455	468
Group MCR[4]	1,082	1,130	1,061

(1) The Solo SCR represents the solvency capital requirement applicable to the Issuer (i.e., on an individual, not on a consolidated, basis).

(2) The Group SCR represents the Solvency II capital requirement of the W&W Solvency II Group substantially consisting of the capital requirements from (a) entities applying standard models in accordance with Solvency II, (b) entities regulated under insurance regulation regimes that are deemed equivalent to Solvency II (to the extent they are not included in the W&W Solvency II Group based on an internal or the standard model), and (c) entities regulated otherwise (including banks, asset managers, and IORPs). Immaterial non-EEA (re)insurance entities are considered via book value deduction (Art. 229 Directive 2009/138/EC).

(3) The Solo MCR represents the minimum capital requirement applicable to the Issuer (i.e., on an individual, not on a consolidated, basis).

(4) The Group MCR represents the minimum consolidated group solvency capital requirement applicable to the W&W Solvency II Group. The scope of the group for purposes of the Group MCR ratio is limited to entities applying either internal or standard models in accordance with Solvency II. Group entities that are (a) regulated under insurance regulation regimes that are deemed equivalent to Solvency II, and (b) financial institutions regulated otherwise (including banks, asset managers, and IORPs) are outside the scope of the Group MCR ratio (no contribution to the Group MCR, no contribution to own-fund items eligible to cover the Group MCR).

Eligible own funds (in EUR 1 million)	**As of June 30,**	**As of December 31,**	
	2021	**2020**	**2019**
Eligible own fund items of the Issuer	7,483	7,362	7,392
Eligible own fund items of the W&W Solvency II Group	6,886	6,842	6,833
Eligible Own fund items of the Issuer (MCR)	7,360	7,252	7,332
Eligible Own fund items of the W&W Solvency II Group (MCR)	4,951	5,028	4,883

Solvency capitalization and minimum capital requirement ratios	**As of June 30,**	**As of December 31,**	
	2021	**2020**	**2019**
Solo SCR ratio[1]	399 per cent.	405 per cent.	395 per cent.
Group SCR ratio[2]	239 per cent.	233 per cent.	238 per cent.
Solo MCR ratio[3]	1,569 per cent.	1,595 per cent.	1,568 per cent.
Group MCR ratio[4]	458 per cent.	445 per cent.	460 per cent.

(1) The Solo SCR ratio is calculated by dividing (i) the amount of own-fund items of the Issuer (i.e., on an individual, not on a consolidated, basis) eligible to cover the Solo SCR by (ii) the Solo SCR.

(2) The Group SCR ratio is calculated by dividing (i) the amount of own-fund items of the W&W Solvency II Group eligible to cover the Group SCR by (ii) the Group SCR.

(3) The Solo MCR ratio is calculated by dividing (i) the amount of own-fund items of the Issuer (i.e., on an individual, not on a consolidated, basis) eligible to cover the Solo MCR by (ii) the Solo MCR.

(4) The Group MCR ratio is calculated by dividing (i) the amount of own-fund items of the W&W Solvency II Group eligible to cover the Group MCR by (ii) the Group MCR.

The following table shows the regulatory capital ratios of the W&W Group's key subsidiaries.

Regulatory capital of W&W Group's key subsidiaries (in per cent.)	**As of June 30,**	**As of December 31,**
	2021	**2020**
Württembergische Versicherung AG (SCR Ratio)	191	201
Württembergische Lebensversicherung AG (SCR Ratio)	519	422
Wüstenrot Bausparkasse AG (CET1 Ratio)[1]	18.6	15.8

(1) The Common Equity Tier 1 Ratio (CET1 Ratio) is calculated in accordance with Article 92(2) point (a) of 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 and means the Common Equity Tier 1 capital of a specific institution expressed as a percentage of the total risk exposure amount of such institution.

4.6.4 Group SCR Split by Risk Type

The Group SCR is calculated using the Solvency II standard approach. In this regard, method 1 (consolidation method) was used to calculate the Group SCR. The following presentation illustrates the calculation of the Group SCR broken down by risk type as of June 30, 2021.

4.6.5 Application of transitional measures on technical provisions

Solvency II contemplates transitional measures to allow EEA entities to gradually move to a full implementation of Solvency II over a period of time. Württembergische Lebensversicherung Aktiengesellschaft applied the volatility adjustment pursuant to § 82 VAG and the transitional arrangement on provisions pursuant to § 352 VAG. The provisions of Württembergische Lebensversicherung Aktiengesellschaft were included in the calculation of the technical provisions at the W&W Solvency II Group level, giving considerationto the volatility adjustment and the transitional arrangement on provisions.

The following table shows the impact of the volatility adjustment and the transitional measures on the Group SCR ratio, as of June 30, 2021 and as of December 31, 2020.

Group SCR ratio	**June 30, 2021**	**December 31, 2020**
Solvency II	239 per cent.	233 per cent.
Excluding volatility adjustment	-	223 per cent.
Excluding transitional measures	194 per cent.	185 per cent.
Excluding volatility adjustment and transitional measures	-	178 per cent.

Neither the matching adjustment pursuant to § 80 VAG nor the transitional arrangement on yield curves pursuant to § 351 VAG are being used herein.

4.6.6 Selected Sensitivities

The solvency capitalization ratios and the minimum capital requirement ratios of the Issuer and the W&W Solvency II Group are subject to unforeseen and extraordinary events. The following table presents the key sensitivities (including transitionals) on the Group SCR ratio as of December 31, 2020:

Sensitivities[1]	**Scenario**	**Group SCR Ratio Impact as of December 31, 2020**
Interest rate[2]	+50 bps	8 percentage points
Interest rate risk[2]	-50 bps	(17) percentage points
Equity markets[3]	-36 per cent.	(35) percentage points
Credit spreads[4]	+50 bps	(67) percentage points

(1) Management actions are not considered in the disclosed sensitivities.

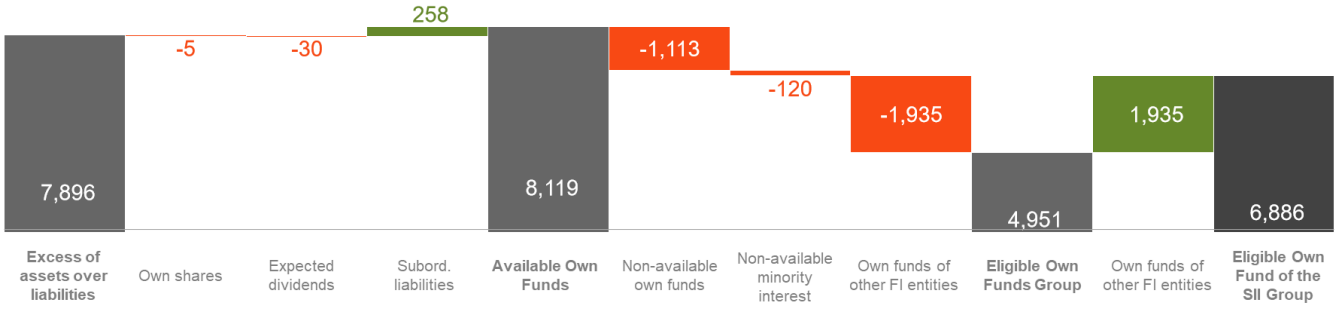
(2) Sensitivities in the interest rate risk module of the W&W Solvency II Group.

(3) Sensitivities in the equity risk module of the W&W Solvency II Group.

(4) Sensitivities in the spread risk module of the W&W Solvency II Group.

4.6.7 Composition of Own Funds

Own funds capital is derived from the market value balance sheet ("**MVBS**") in line with the provisions of Solvency II. The following presentation illustrates the calculation of own funds of the W&W Solvency II Group from the balance sheet excess of assets over liabilities as of June 30, 2021.



Own funds capital is divided into three tiers in accordance with the quality of the own funds. Tier 1 capital, such as common equity and retained earnings (which are represented as one of the components of the so-called "reconciliation reserve" in the MVBS), is the highest quality of capital and must be able to absorb losses on a day-to-day, 'going-concern' basis. Tier 1 capital may be restricted (i.e., subject to a regulatory maximum limit) or unrestricted (i.e., not subject to a regulatory maximum limit). Tier 2 capital is of a lower quality and is available to absorb losses on insolvency. Tier 3 capital is the lowest quality of capital permitted and has only limited loss-absorbing capacity.

As of June 30, 2021, the own funds eligible for the Group SCR were distributed across the three quality levels under Solvency II as follows:

	Total	**Tier 1 capital**	**Resticted Tier 1 capital**	**Tier 2 capital**	**Tier 3 capital**
Eligible own funds of the Solvency II group (in EUR 1 million)	6,886	6,746	37	103	0
In per cent.	**100.0**	**98.0**	**0.5**	**1.5**	**0**

4.6.8 Capital management

The management has established a framework for the capital management in the W&W Group, the W&W Solvency II Group and W&W AG, which specifies the goals and principles for capital management and defines the capital management process. Moreover, our capital management aims at

(a) ensuring adequate risk-bearing capacity, especially on the basis of the economic risk-bearing capacity model;

(b) fulfilling regulatory minimum capital requirements as regards SCR ratio;

(c) optimising capital allocation within the Group;

(d) enabling an adequate return on the capital employed;

(e) ensuring capital flexibility; and

(f) making use of strategic market opportunities.

The capital management process takes into account the strategic parameters from the business strategy process and the risk strategy process which is derived from it. The strategy results in parameters for managing capital adequacy, particularly the setting of internal target ratios and the specification of basic conditions for capital adequacy. These parameters for capital management are implemented and reviewed through the planning and forecasting process. As part of capital monitoring and reporting during the year, compliance with capital targets is steadily being reviewed.

The capital management process thus ensures that potential capital needs of the W&W Group are identified early on. Capital needs are identified based on internal target ratios. In this regard, the target ratios are defined as minimum ratios, whose achievement is aspired to. Internally, the W&W Group has set target solvency ratios for the large subsidiaries as well as for the W&W Solvency II Group and the financial conglomerate that are significantly above the current statutory requirements in order to ensure the continued high stability of the groups and of the individual companies. After a capital need is identified, measures are normally developed and implemented to cover the capital need. In doing so, various alternatives are examined, e.g. change in the mix of new business, risk reduction, reinvestment of results, capital measures like raising new subordinated capital, etc. When measures are established, the impact on solvency and economic risk-bearing capacity is examined. In the case of capital measures, the eligibility of own funds under applicable supervisory rules must be ensured in particular.

The own-funds planning process is a key part of the capital management process in the W&W Group. The own-funds planning of W&W AG, the W&W Group, the W&W Solvency II Group and the subsidiaries is based on income statement/balance sheet planning and is thus an integral part of the business planning process. As a rule, our business planning covers the following three financial years. In this regard, own-funds planning takes place from a supervisory and from an economic perspective. As part of own-funds planning, eligible own funds (broken down by quality class) are compared with the solvency capital requirements over a five-year planning horizon. The solvency capital requirements are calculated using the Solvency II standard approach. For economic risk-bearing capacity, economic risk capital requirements are determined, based on an economic risk-bearing capacity model and compared with the available economic capital.

4.7 Recent Events

Even though the effects of the coronavirus are still palpable, the German Insurance Association (*Gesamtverband der Deutschen Versicherungswirtschaft, GDV*) expects premiums in property/casualty insurance to grow moderately by 1.9 per cent. (previous year: 2.3 per cent.). With the increasing easing of the pandemic-related restrictions, mobility is expected to normalise, meaning higher claims expenses in motor insurance. At the same time, a series of storms in June and July – particularly the flooding disaster in Rhineland-Palatinate and North Rhine-Westphalia – caused losses for the industry totalling billions of euros, according to initial estimates. Claims expenses are expected to rise significantly compared with the previous year. In addition, the storms in July, particularly the flooding disaster in Rhineland-Palatinate and North Rhine-Westphalia, will also have a negative effect on the loss ratio in the third quarter. Nevertheless, the impact is limited by our reinsurance programme.

4.8 Trend Information

4.8.1 Material Adverse Change in the Prospects of the Issuer

Except as disclosed in the section "*4.7 Recent Events*" above and the section "*4.4.1 Historical Financial Information*" above, there has been no material adverse change in the prospects of the Issuer since December 31, 2020.

4.8.2 Significant Change in the Financial Performance or Position of the W&W Group

Except as disclosed in the section "*4.7 Recent Events*" above, there has been no significant change in the financial position or financial performance of the W&W Group since June 30, 2021, the end of the last financial period for which financial information has been published, to the date of this Prospectus.

4.8.3 Information on known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's Prospects for 2021

4.8.3.1 Economic Outlook

Following an unusually sharp decline in economic output in Germany in 2020 due to the social and economic restrictions imposed to contain the Covid-19 pandemic, a strong recovery of the German economy is expected for the calendar year 2021. At the beginning of the year, business activity was still suffering from the social and economic restrictions, meaning that the gross domestic product ("**GDP**") declined once again in the first quarter. Recently, the restrictions on business life have gradually been able to relax, which has already noticeably benefited the economy. Unless unexpected adverse developments occur (e.g. mutations of the underlying coronavirus for which current vaccines would be ineffective, a slow-down of the vaccination campaign or again increasing Covid-19 infection numbers), we anticipate a very dynamic recovery of economic activity in Germany in the second half of 2021. In particular, consumer demand will prove to be a growth engine due to catch-up effects and an extensive financial cushion built up by private households in previous quarters due to "forced saving". All told, GDP in Germany is forecast to rise by 3 per cent. to 4 per cent. for the calendar year 2021.

The German bond market in 2021 is subject to influences pulling in the opposite direction. On the one hand, the forecast economic recovery, as well as the rise in inflation already being witnessed, should lead to falling bond prices and thus to rising yields. In fact, in the first months of the year, starting from a historically extremely low level, a certain rise could be witnessed, e.g. in yields for 10-year German government bonds (*deutsche Staatsanleihen*). On the other hand, the European Central Bank ("**ECB**") is stressing that the current increase in inflation is only temporary (e.g. due to basis effects and tax-policy measures). In combination with ongoing existing risks to the economy, a monetary policy response is ultimately unwarranted. By adhering to a very expansive monetary policy course, the ECB is thus keeping short-term interest rates at a very low level and limiting the potential rise in longer-term yields. In summary, it is expected that in 2021 interest rates in Germany will remain at a very low level in historical terms, despite a certain rise.

4.8.3.2 Insurance Industry Outlook

Whereas the Covid-19 pandemic will still act to depress business development in the insurance industry in the first half of 2021, there could be noticeable catch-up effects in the second half of the year.

In 2021, persistently low interest rates will also continue to present a great challenge for the life insurance industry. In 2021, the German insurance association (*Gesamtverband der Deutschen Versicherungswirtschaft* – "**GDV**") expects premium income to increase by a total of +3.3 per cent. In this regard, a relaxation of the restrictions imposed in the crisis year of 2020 is further expected as well as catch-up effects with regard to long-term financial planning. In terms of property and casualty insurance, the GDV expects a further fall in premium dynamic due to the gradual, emerging economic recovery and the after-effects in some sectors. For 2021 as a whole, it anticipates a rise in premium income of +1.6 per cent. However, the trend forecast is associated with significant uncertainties.

For private health insurance, the commission forecasts that premium income will rise by +5.5 per cent. in the current year, due to substantial rate adjustments in full health insurance. From the forecasts for the three lines, the insurance industry is expected to post a premium rise overall of about +3.2 per cent. for 2021.

4.8.3.3 Home Loan Savings Industry Outlook

In general, the fundamental conditions for residential construction activity and construction financing business remain favourable, since there continues to be excess demand in the growth regions and the desire for residential property ownership tended to increase even more during the Covid-19 pandemic.

At the same time, the employment and income situation and perspectives have worsened for some households. The market is being buttressed to a significant degree by the persistently low interest rates, as a result of which property prices will rise again to some extent, and by high governmental subsidies for energy renovations, which will be increased again at mid-year for complete overhauls.

On whole, it is expected that in 2021 the housing and construction financing market will continue to move on the high level reached in the previous year, whereby, depending on the course of the pandemic and economic developments, setbacks cannot be ruled out.

4.8.3.4 Outlook for the W&W Group

Due to ongoing restrictions on public and economic life occasioned by the Covid-19 pandemic, the market environment remains uncertain and difficult to assess. W&W AG has proven to be resilient in the course of the Covid-19 pandemic. In the course of the 2021 calendar year to date, the capital market trends and favourable claims development in property insurance in particular have had a positive impact on the W&W Group.

The W&W Group is optimistic that it will be able to continue the successful new business development of the past years. As a financial planning group with a comprehensive offer, W&W will once again align the product range and its service offer with current customer wishes in 2021 and enhance them to meet the challenges of demographic change. In particular, the sustainable venture into the digital future that has been embarked upon will be accelerated.

The persistent level of zero, low or even negative interest rates and growing regulatory requirements in the financial sector remain burdensome factors for the businesses of the W&W Group. In view of the economic and regulatory challenges, the W&W Group has established the reinforcement programme "*W&W Besser!*" The strategy implementation of the W&W Group in the initiative "*W&W Besser!*" is focussed on four approaches:

- Service – inspiring customers and employees,
- Doubling market growth in profitable business lines,
- Sales – tapping into new customer groups and providing even better service to existing customers, and
- Lowering costs to at least the market level.

By building the new W&W campus at the Ludwigsburg / Kornwestheim location, W&W AG, as builder-owner, is investing in the future of the corporate group.

4.9 Administrative, Management and Supervisory Bodies

In accordance with German law, the Issuer, a stock corporation (*Aktiengesellschaft*) under German law, has a two-tier board structure comprising of the management board ("**Management Board**") and the supervisory board ("**Supervisory Board**"). The Management Board is responsible for the executive management and represents the Issuer *vis-à-vis* third parties. The Supervisory Board is responsible for supervising the management and internal controls of the Issuer. Members of the Management Board are appointed by the Supervisory Board. Members of the Supervisory Board are elected by the shareholders' meeting, by employees or by their delegates or delegated by shareholders afforded such a delegation right in the Articles of Association. Under German co-determination rules, the stock corporation's employees have the right to elect (directly or by elected delegates) one employee representative to the Supervisory Board for every shareholders' representative at the Supervisory Board, if the company has more than 2,000 employees. The corporate bodies of the company are bound in particular by the Articles of Association, the rules of procedure for the Management Board (*Geschäftsordnung für den Vorstand*), the rules of procedure for the Supervisory Board (*Geschäftsordnung für den Aufsichtsrat*) (each as adopted by the Supervisory Board) and the German Corporate Governance Code.

4.9.1 Members of the administrative, management and supervisory bodies of the Issuer

The members of the Issuer's Management Board and Supervisory Board may be contacted at W&W AG's business address at Gutenbergstraße 30, 70176 Stuttgart, Germany.

4.9.1.1 Current members of the Management Board

The following table lists the positions of the members of the Management Board of W&W AG, the year they were first appointed, the expiration of their current term and activities outside of W&W Group where these are significant with respect to W&W AG:

Name	Position / Area of Responsibility	Year first appointed	End of Current Term	Activities outside W&W Group
Jürgen A. Junker.....	Chief Executive Officer	2016	03/2026	–
Alexander Mayer.....	Chief Financial Officer	2020	08/2025	–
Jürgen Steffan	Chief Risk Officer, Work Director	2019	06/2024	–
Jens Wieland.....	Chief Information Officer	2012	06/2025	–

The members of the Management Board can be contacted at the Issuers business address, which is Gutenbergstraße 30, 70176 Stuttgart, Germany.

Source: Issuer information.

4.9.1.2 Current members of the Supervisory Board

The following table lists the positions of the current members of the Supervisory Board of W&W AG and in each case the year they were first appointed as members of the Supervisory Board of W&W AG, the expiration of their current term, to the extent applicable as well as the principal activities performed by the members of the Supervisory Board W&W AG outside the W&W Group where these are significant with respect to W&W AG:

Name	Position	Year first appointed	End of Current Term	Activities outside W&W Group
Hans Dietmar Sauer	Chairperson	2004	May 2024	–
Frank Weber	Deputy Chairperson[1)]	2006	May 2024	–
Dr. Frank Ellenbürger	Member	2021	May 2024	–
Jutta Eberle	Member	2021	May 2024	–
Ute Hobinka	Member[1)]	2011	May 2024	–
Marika Lulay	Member	2016	May 2024	Member of the supervisory board EnBW Energie Baden-Württemberg AG and Chief Executive Office GFT Technologies SE
Hans-Ulrich Schulz	Member	2016	May 2024	Member of the Pension Committee and Appeals Committee of Verwaltungs-Berufsgenossenschaft, Ludwigsburg
Susanne Ulshöfer	Member[1)]	2019	May 2024	–
Prof. Dr. Nadine Gatzert	Member	2018	May 2024	Member of the supervisory board NÜRNBERGER Beteiligungs-Aktiengesellschaft, NÜRNBERGER Lebensversicherung AG and professor Friedrich-Alexander-Universität Erlangen-Nürnberg
Jochen Höpken	Member[1)]	2011	May 2024	Member of the supervisory board FIDUCIA & GAD IT AG, Union Secretary ver.di
Bernd Mader	Member[1)]	2016	May 2024	–
Christoph Seeger	Member[1)]	2011	May 2024	–
Dr. Reiner Hagemann	Member	2006	May 2024	–
Corinna Linner	Member	2015	May 2024	Member of the supervisory board Donner & Reuschel AG, Auditor, LW Linner Wirtschaftsprüfungurg
Andreas Rothbauer	Member[1)]	2011	May 2024	District Council AOK Ludwigsburg-Rems-Murr, honorary judge Arbeitsgericht Stuttgart
Jutta Stöcker	Member	2016	May 2024	Member of the supervisory board RheinLand Holding AG, RheinLand Versicherungs AG

[1)] Employee representative.

The members of the Supervisory Board can be contacted at the Issuers business address, which is Gutenbergstraße 30, 70176 Stuttgart, Germany.

Source: Issuer information.

4.9.2 Administrative, management and supervisory bodies' potential conflicts of interest

Agreements of W&W AG with the members of its Management Board and its Supervisory Board may generate in certain circumstances conflicts of interest. Should any such conflict of interest arise, W&W AG has sufficient rules and procedures, compliance rules and industry standards in place regulating the management of conflicts of interest and the ongoing application of such guidelines and rules. No potential conflicts of interest arising out of such agreements have been identified with respect to the members of W&W AG's Management Board or of its Supervisory Board where internal procedures or measures would not be sufficient to resolve any conflicts of interest.

4.10 Major Shareholders

As at the date of this Prospectus, major shareholders of W&W AG are WS Holding AG and Wüstenrot Holding AG which are both owned by the non-profit Wüstenrot Stiftung. Another major shareholder is the FS W&W Holding GmbH.

The following table shows W&W AG's major shareholders as at the date of this Prospectus:

Major Shareholders	Shareholding in per cent.
Wüstenrot Stiftung	**66.31**
WS Holding AG	26.40
Wüstenrot Holding AG	39.91
FS W&W Holding GmbH	**10.00**

There are no arrangements known to W&W AG, the operation of which may at a subsequent date result in a change in control of W&W AG.

4.11 Legal and Arbitration Proceedings

W&W Group is involved in legal and administrative proceedings as part of its ordinary business activities. Such proceedings in particular relate to:

- Insurance law, including proceedings concerning the question of wether business closure insurances are liable in the event of business closures due to the Covid-19 pandemic (e.g. Federal Court of Justice, *Bundesgerichtshof*);
- Banking and capital market law;
- Credit and credit security law;
- Commercial agency law;
- Commercial brokerage law;
- Labour law; and
- Real estate, tenancy and construction law.

On the issue of coverage for business closure insurances, a total of 119 proceedings are pending against Württembergische Versicherung AG (as of July 9, 2021). There is an increasing number of appeal proceedings. So far, only one higher regional court has ruled against Württembergische Versicherung AG in the second instance, against which an appeal has been filed with the Federal Court of Justice (*Bundesgerichtshof*). Other rulings by the higher regional courts have been issued in favor of Württembergische Versicherung AG. In two cases, the plaintiff filed an appeal with the Federal Court of Justice (*Bundesgerichtshof*). Against this backdrop, there are still uncertainties regarding the final underwriting loss/benefit amount. In view of the increasing risks associated with the aforementioned appeal and revision proceedings, W&W Group has increased its provisions. These are subject to regular review. W&W Group continues to take the view that there is no contractual coverage. Nevertheless, it cannot be ruled out that a different assessment will be made in the final instance. This could result in a significant further increase in the volume of claims.

Other than the proceedings concerning business closure insurances as described above, during a period covering the previous twelve months, no legal or administrative proceedings (including any proceedings which are pending or threatened of which W&W AG is aware) may have or have had in the recent past significant effects on W&W Group's financial position or profitability. However, it can in general not be excluded that W&W Group's financial position or profitability may be affected by legal or administrative proceedings other than the proceedings concerning business closure insurances described above in the future.

4.12 Material Contracts

In the ordinary course of its business, members of W&W Group enter into a variety of contracts with various other entities. Within the past two years, W&W Group has not, however, entered into any material contracts outside the ordinary course of its business which could result in any group member being under an obligation or entitlement that has a material adverse impact on the Issuer's ability to meet its obligations under the Notes.

4.13 Ratings of W&W AG

The Issuer has received a long term credit rating* of BBB+[1)] (outlook stable[2)]) from S&P Global Ratings Europe Limited ("**S&P**")[3), 4)] on August 19, 2021. The Notes are expected to be rated of BBB-[5)].

*) A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

1) According to the definitions published by S&P on its website obligations rated 'BBB+' are judged to have adequate capacity to meet financial commitments, but are more subject to adverse economic conditions.

2) The "stable" designation means that a rating is not likely to change. "Positive" and "negative" outlooks normally refer to a time period of 12-18 months. These outlooks do not necessarily signal that rating upgrades or downgrades, respectively, will automatically follow.

3) S&P Global Ratings Europe Limited is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of May 11 2011 and by Regulation (EC) 2 No 462/2013 of the European Parliament and of the Council of May 21, 2013 (the CRA Regulation).

4) The European Securities and Markets Authority (***ESMA***) publishes on its website (*http://www.esma.europa.eu/page/List-registered-and-certified-CRAs*) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

5) According to the definitions published by S&P on its website an obligation rated 'BBB-' means that the Issuer has an adequate capacity to meet financial commitments, but more subject to adverse economic conditions. S&P rating scale for issue credit rating consists of the following categories: "AAA", "AA", "A", "BBB", "BB", "B", "CCC", "CC", "C", "D" (in descending order). The ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

5 Taxation

THE TAX LEGISLATION APPLICABLE TO PROSPECTIVE INVESTORS OF NOTES AND THE ISSUER'S COUNTRY OF INCORPORATION MAY HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE NOTES. PROSPECTIVE INVESTORS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISERS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS APPLICABLE IN GERMANY, THE GRAND DUCHY OF LUXEMBOURG, AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS OR OTHERWISE SUBJECT TO TAXATION.

The following is a general discussion of certain selected tax consequences in relation to the acquisition and ownership of the Notes under the tax laws of the Federal Republic of Germany. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to invest into the Notes. The following section only provides some very general information on the possible tax treatment of the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular investor. Although any information given hereafter reflects the opinion of the Issuer, it must neither be misunderstood as creating any sort of reliance nor as a representation or guarantee, and courts or other relevant authorities may come to different interpretations of the applicable laws. This summary is based on the laws of the Federal Republic of Germany currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive effect. The German tax authorities may disagree with the discussion herein, and its determination might be upheld by a court. Moreover, there can be no assurance that future legislation, regulations, administrative rulings or court decisions will not change the accuracy of this discussion.

Federal Republic of Germany

5.1 Income tax

5.1.1 Notes held by tax residents as non-business assets

5.1.1.1 Taxation of payments of interest

Payments of interest on the Notes to Holders who are individuals and are tax residents of the Federal Republic of Germany (i.e. persons whose residence or habitual abode is located in the Federal Republic of Germany) are subject to German income tax. In each case where German income tax arises, a solidarity surcharge (*Solidaritätszuschlag*) is levied in addition. Furthermore, church tax may be levied, where applicable.

On December 13, 2019, the law regarding a significant reduction of the solidarity surcharge (*Gesetz zur Rückführung des Solidaritätszuschlags 1995*) came into force. Even though this new law has no impact on the solidarity surcharge levied in addition to the withholding tax, it can affect the solidarity surcharge levied on the income tax liability which the withholding tax is credited against, as the case may be. According to this new law the threshold as of which solidarity surcharge is levied is significantly increased to an individual income tax-threshold of EUR 16,956 (EUR 33,912 for jointly assessed German tax resident investors), so that the solidarity surcharge is abolished in full for approx. 90 per cent. of the German taxpayers and partly for a further 6.5 per cent. of German taxpayers. Investors are advised to monitor further future developments.

On payments of interest on the Notes to individuals who are tax residents of the Federal Republic of Germany, income tax is generally levied as a flat income tax at a rate of 25 per cent. (plus solidarity surcharge in an amount of 5.5 per cent. of such tax, resulting in a total tax charge of 26.375 per cent. plus, if applicable, church tax). The total positive investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for jointly assessed married couples), not by a deduction of expenses actually incurred.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a German branch of a German or non-German credit or financial services institution (*Kredit- oder Finanzdienstleistungsinstitut*) or a German securities trading business (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) and such entity credits or pays out the investment income (the "Disbursing Agent"), the flat income tax will be levied by way of withholding at the aforementioned rate from the gross interest payment to be made by the Disbursing Agent. The church tax is generally levied by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Tax Office (*Bundeszentralamt für Steuern*).

If the Notes are not kept in a custodial account with a Disbursing Agent and interest or proceeds from the disposal of coupons are paid or credited upon delivery of the coupons to the holder of the coupons (other than a non-German bank or financial services institution), withholding tax at the aforementioned rate must also be levied by the Disbursing Agent upon the gross amount of the interest or the proceeds.

In general, no withholding tax will be levied if the Holder is an individual (i) whose Notes do not form part of the property of a trade or business and (ii) who filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent but only to the extent the interest income derived from the Notes together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Currently, the maximum lump sum deduction amount is EUR 801 (EUR 1,602 in the case of jointly assessed married couples) for all investment income received in a given calendar year. Similarly, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) which also includes the tax identification number and which has been issued by the relevant local tax office.

If no withholding tax has been withheld, the Holder will have to include its income on the Notes in its tax return and the tax on its investment income of generally 25 per cent. plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

The Issuer does not assume any responsibility for the deduction of German withholding tax at the source (including solidarity surcharge and, where applicable, church tax thereon).

5.1.1.2 Taxation of capital gains

Also capital gains realized by individual tax residents of the Federal Republic of Germany from the sale, transfer, disposal or redemption of the Notes (including gains from the assignment or hidden contribution of the Notes) will be subject to the flat income tax on investment income at a rate of 25 per cent. (plus solidarity surcharge in an amount of 5.5 per cent. of such tax, resulting in a total tax charge of 26.375 per cent. plus, if applicable, church tax), irrespective of any holding period.

On December 13, 2019, the law regarding a significant reduction of the solidarity surcharge (*Gesetz zur Rückführung des Solidaritätszuschlags 1995*) came into force. Even though this new law has no impact on the solidarity surcharge levied in addition to the withholding tax, it can affect the solidarity surcharge levied on the income tax liability which the withholding tax is credited against, as the case may be. According to this new law the threshold as of which solidarity surcharge is levied is significantly increased to an individual income tax-threshold of EUR 16,956 (EUR 33,912 for jointly assessed German tax resident investors), so that the solidarity surcharge is abolished in full for approx. 90 per cent. of the German taxpayers and partly for a further 6.5 per cent. of German taxpayers. Investors are advised to monitor further future developments.

This tax treatment will also apply to Notes on which the principal is effectively repaid in whole or in part although the repayment was not guaranteed. If coupons or interest claims are disposed of separately (i.e. without the Notes), the gains from the disposal are subject to income tax. The same applies to gains from the redemption of coupons or interest claims realized by the former Holder of the Notes. The separation (e.g. by first-time assignment) of a coupon or interest claim from the Note is treated as a disposal of the Note.

If the Notes are held in custody, or are administered, or if their sale, transfer, disposal or redemption is executed, by a Disbursing Agent (as defined above) the flat income tax will be levied by way of withholding from the positive difference between the redemption amount or the proceeds from the disposal (after the deduction of actual expenses directly related thereto) and the issue price or the purchase price of the Notes, Church tax is generally levied by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Tax Office (*Bundeszentralamt für Steuern*) in which case the Holder is required to include the interest income in his or her income tax return and the church tax will then be levied by way of an assessment. If Notes kept or administered in the same custodial account have been acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purpose of determining the capital gains. Where the Notes are acquired or sold in a currency other than Euro, the acquisition costs and sale proceeds will be converted in Euro on the basis of the exchange rate applicable at the time of sale, respectively, the time of acquisition. If the Notes

have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has validly been provided to the Disbursing Agent by the depositary bank which previously kept the Notes in its custodial account, withholding tax will be levied on an anount equal to 30 per cent. of the proceeds from the sale, transfer, disposal or redemption of the Notes.

If the Notes are not kept in custody by a Disbursing Agent and proceeds from the disposal or redemption of the Notes are paid or credited upon delivery of the Notes to the holder of such Notes (other than a non-German bank or financial services institution), withholding tax at the aforementioned rate must also be levied by the Disbursing Agent upon 30 per cent. of the gross amount of the proceeds.

If no withholding tax has been withheld, the Holder will have to include capital gains from the sale, transfer, disposal or redemption of the Notes in its tax return and the tax on its investment income of generally 25 per cent. plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent. Further, if the withholding tax on a sale, transfer, disposal or redemption of the Notes has been calculated from 30 per cent. of the respective proceeds (rather than from the actual gain), a Holder who is an individual tax resident may and in case the actual gain is higher than 30 per cent. of the respective proceeds and, according to administrative guidance, the difference between the actual gain and 30 per cent. of the respective proceeds is more than EUR 500) must also apply for an assessment on the basis of his or her actual acquisition costs. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

The Issuer does not assume any responsibility for the deduction of German withholding tax at the source (including solidarity surcharge and, where applicable, church tax thereon).

Any capital loss incurred from the sale, transfer, disposal or redemption of the Notes can only be offset against positive income from capital investments. The Disbursing Agent will offset the losses with positive income from capital investments entered into through or with the same Disbursing Agent and carry forward any losses that cannot be offset to the following calendar year. If losses cannot be offset in full against positive investment income by the Disbursing Agent, the Holder can, instead, request that the Disbursing Agent issues a certificate stating the losses in order for them to be offset against other positive income from capital investments or carried forward in the assessment procedure. The request must reach the Disbursing Agent by December 15 of the current year and is irrevocable.

Losses arising from the fact that a receivable is fully or partially irrecoverable or arising from the fact that the receivables under the Notes are cancelled as worthless and losses arising from a transfer of a worthless Note to a third party or from any other default can be offset only up to an amount of EUR 20,000; losses in excess of EUR 20,000 will be carried forward and offset against capital investment income per subsequent year only up to an amount of EUR 20,000.

Please note that the coalition agreement between the German Christdemocratic Party and the German Socialdemocratic Party for the formation of a new German federal government provides that the flat tax regime shall be partially abolished for certain capital investment income, in particular interest income. That means however that income received by investors holding the Notes as private assets may be taxed at individual progressive income tax rates of up to 45 per cent. in the future (plus a 5.5 per cent. solidarity surcharge thereon, and church tax, if applicable to the individual investor). There is, however, no draft bill available yet and a lot of details are hence still uncertain.

5.1.2 Notes held by tax residents as business assets

Payments of interest on Notes and capital gains from the sale, transfer, disposal or redemption of Notes held as business assets by German tax resident individuals or tax resident corporations (i.e. corporations whose legal domicile or place of effective management is located in the Federal Republic of Germany), including via a partnership, as the case may be, are generally subject to German income tax or corporate income tax (in each case plus solidarity surcharge and, if applicable, church tax). The interest and capital gain will also be subject to trade tax if the Notes form part of the property of a German trade or business.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above), tax at a rate of 25 per cent. (plus a solidarity surcharge of 5.5 per cent. of such tax and, if applicable in the case of individuals, church tax) will also be withheld from interest payments on Notes and

generally also from capital gains from the disposal or redemption of Notes held as business assets. In these cases, the withholding tax does not satisfy the income tax liability of the Holder, as in the case of the flat income tax, but will be credited as advance payment against the personal income or corporate income tax liability and the solidarity surcharge (and, if applicable in case of individuals, against the church tax) of the Holder, or, will be refunded in the amount of any excess.

German tax resident corporations should generally not be subject to withholding tax on capital gains from the sale, transfer, disposition, or redemption of the Notes (i.e. for these corporations only interest payments, but not capital gains from the sale or redemption of the Notes are subject to the withholding tax regime). The same applies upon notification by use of the officially prescribed form towards the Disbursing Agent in the case of Notes held by German tax resident individuals or partnerships as business assets.

5.1.3 Notes held by non-residents

Payments of interest on Notes and capital gains from the sale, transfer, disposal or redemption of Notes are not subject to German taxation in the case of non-residents, i.e. persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in the Federal Republic of Germany, unless the Notes form part of the business property of a permanent establishment maintained in the Federal Republic of Germany, or for which a permanent representative has been appointed in the Federal Republic of Germany. Interest may, however, also be subject to German income tax if it otherwise constitutes income taxable in Germany, such as income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German-situs real estate.

Non-residents of the Federal Republic of Germany are in general exempt from German withholding tax on interest and capital gains and from solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above), withholding tax will be levied as explained above at "*Notes held by tax residents as business assets*" or at "*Notes held by tax residents as non-business assets*", respectively.

If the Notes are not kept in custody by a Disbursing Agent and interest or proceeds from the disposal of coupons or proceeds from the sale, transfer, disposal or redemption of the Notes are paid or credited to a non-resident (other than a non-German bank or financial services institution) upon delivery of the coupons or the Notes, respectively, such payments will also be subject to withholding tax to the extent and at a rate as explained above at "*Notes held by tax residents as non-business assets*".

5.2 Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Note will generally arise under the laws of the Federal Republic of Germany, if (i), in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a tax resident of the Federal Republic of Germany, (ii) such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in the Federal Republic of Germany, and (iii) the claims under such Note are not directly or indirectly secured by German-situs real estate or ships which are registered with a German ship register. Exceptions from this rule apply to certain German citizens who previously maintained a residence in the Federal Republic of Germany.

5.3 Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in the Federal Republic of Germany in connection with the issue, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) is not levied in the Federal Republic of Germany.

The proposals for the introduction of a financial transaction tax.

The European Commission has published a proposal for a Directive for a common financial transaction tax ("**FTT**") in certain participating EU Member States.

The proposed FTT has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. However, the issue and subscription of the Notes should be exempt.

The FTT could apply to persons both within and outside of the participating EU Member States. Generally, it would apply to certain dealings in financial instruments where at least one party is a financial institution, and either (i) at least one party is established or deemed to be established in a participating EU Member State or (ii) the financial instruments are issued in a participating EU Member State. As of June 28, 2018, according to a report by the Council of the European Union, more preparatory work by the Council of the European Union will be required on the proposed FTT.

The proposed Directive remains subject to negotiation between the participating EU Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear.

On December 9, 2019, the German Federal Finance Minister announced another final proposal for a Directive for a financial transaction tax implemented by way of the enhanced cooperation mechanism to 9 other participating EU Member States ("**New FTT**"), which, according to media sources, was revised again in April 2020. As of today, the draft legislation has not yet been made available to the public.

According to publicly available information from the German Federal Ministry of Finance and media sources, the New FTT will only apply to financial transactions involving shares. Therefore, it is still unclear if the New FTT will also cover debt instruments or if the issue and subscription of the Notes as well as dealings in the Notes will be not subject to the New FTT.

The proposed New FTT remains subject to negotiation between the participating EU Member States. The New FTT could therefore be altered and the scope could be broadened prior to any implementation.

6 SUBSCRIPTION AND SALE

6.1 General

Pursuant to a subscription agreement to be dated September 8**,** 2021 (the "**Subscription Agreement**") among the Issuer, Landesbank Baden-Württemberg and UniCredit Bank AG (the "**Managers**" and each a "**Manager**"), the Issuer has agreed to sell to the Managers, and the Managers have agreed, subject to certain customary closing conditions, to purchase, the Notes on September 10**,** 2021. The Issuer has furthermore agreed to pay certain commissions to the Managers and to reimburse the Managers for certain expenses incurred in connection with the issue of the Notes.

The Subscription Agreement provides that the Managers will under certain circumstances be entitled to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

The Managers and their affiliates may 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 their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Managers or certain of their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Managers or such affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

There are no interests of natural and legal persons involved in the issue, including conflicting ones, that are material to the issue.

6.2 Selling Restrictions

6.2.1 General

Each Manager has acknowledged that other than explicitly mentioned in this Prospectus no action is taken or will be taken by the Issuer in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of any offering material relating to them, in any jurisdiction where action for that purpose is required.

Each Manager has represented and agreed that it will comply with all applicable laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes any offering material relating to them.

6.2.2 European Economic Area

Each Manager has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision 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 Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of January 20, 2016 on insurance distribution (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

6.2.3 United Kingdom of Great Britain and Northern Ireland ("UK")

6.2.3.1 Prohibition of Sales to UK Retail Investors

Each 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 Notes which are the subject of the offering contemplated by this Prospectus in relation thereto to any retail investor in the UK. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

(ii) a customer within the meaning of the provisions of the 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 UK domestic law by virtue of the EUWA.

6.2.3.2 Other regulatory restrictions

Each 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, as amended ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

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

6.2.4 United States of America and its Territories

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes offered hereby are being offered and sold only to persons outside the United States that are not, and are not acting for the account or benefit of, "**U.S. persons**" in offshore transactions (as defined in Regulation S) pursuant to Regulation S. Each Manager has represented and agreed that except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver any Notes (i) as part of their distribution and any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the issue date, within the United States or to, for the account of benefit of, U.S. persons, and will have sent to each Manager to which it sells the Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Each Manager has 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 any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

Bearer Notes which are subject to U.S. tax law requirements may not be offered, sold or delivered in the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meaning given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

6.2.5 Hong Kong

Each Manager has represented, warranted and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, the Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the "**SFO**") other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

6.2.6 Japan

Each of the Managers has severally represented and agreed that the Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended); it will not offer or sell, directly or indirectly, any of the Notes in Japan or to, or for the account or benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to, or for the account or benefit of, any resident for reoffering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, any resident of Japan except (i) pursuant to an exemption from the registration requirements of, or otherwise in compliance with, the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and (ii) in compliance with the other relevant laws and regulations of Japan.

6.2.7 Republic of Singapore ("Singapore")

Each of the Managers acknowledges that the Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"). Accordingly, each of the Managers represents and agrees that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor) (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, securities or securities-based derivatives contracts (each as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes under Section 275 of the SFA except:

    (i) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

    (ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

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

Singapore Securities and Futures Act Product Classification: *In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are (i) prescribed capital markets products (as defined in the CMP Regulations 2018) and (ii) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

6.2.8 Switzerland

This Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

6.2.9 Italy

The offering of the Notes has not been registered with the Italian financial regulator (*Commissione Nazionale per le Società e la Borsa* or "**CONSOB**") pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor copies of this Prospectus or any other document relating to the Notes be distributed in the Republic of Italy, except:

(a) "qualified investors" (*investitori qualificati*) as defined in Article 2 of the Prospectus Regulation; or

(b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 100 of the Legislative Decree No. 58 of February 24, 1998, as amended (the "**Italian Financial Services Act**"), Article 34-ter of CONSOB Regulation No. 11971 of May 14, 1999, as amended (the "**Issuers Regulation**"), and the Italian laws.

Each Manager has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy will be made in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Each Manager has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of this Prospectus or any other document relating to the Notes in the Republic of Italy, except in any circumstances where an express exemption from compliance with the offer restrictions applies, as provided under the Prospectus Regulation, the Italian Financial Services Act or the Issuers Regulation.

In any event, any offer, sale or delivery of the Notes or any distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under paragraphs (a) or (b) must be:

(i) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018, Legislative Decree No. 385 of September 1, 1993, as amended (the "**Italian Banking Act**") and any other applicable laws and regulations;

(ii) in compliance with Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended, pursuant to which the Bank of Italy may request post-offering information on the issue or the offer of securities in the Republic of Italy; and

(iii) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed by CONSOB, the Bank of Italy or any other Italian authority.

Provisions relating to the secondary market in the Republic of Italy

Investors should also note that, in accordance with Article 5 of the Prospectus Regulation and Article 100-*bis* of the Italian Financial Services Act, where no exemption from the rules on public offerings applies under paragraphs (a) and (b) above, Notes which are initially offered and placed in the Republic of Italy or abroad to qualified investors only but in the following year are regularly (*sistematicamente*) distributed on the secondary market in the Republic of Italy to non-qualified investors, become subject to the public offer and the prospectus requirement rules provided under the Prospectus Regulation, the Italian Financial Services Act and the Issuers Regulation. Failure to comply with such rules may result in the sale of the Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the purchasers of Notes who are acting outside of the course of their business or profession.

7 GENERAL INFORMATION

7.1 Authorisations

The issue of the Notes described in this Prospectus as well as the entering by the Issuer of all relevant documents in connection therewith has been duly approved by a resolution of the Management Board dated September 2, 2021.

7.2 Expenses of the Admission to Trading

The expenses for the listing of the Notes and admission to trading are expected to amount to approximately EUR 6,900.

7.3 Clearing System

Payments and transfers of the Notes will be settled through Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg and Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

The Notes have the following securities codes: ISIN: XS2378468420; Common Code: 237846842; WKN: A3E5VS.

7.4 Eurosystem Eligibility

The Notes are intended to be held in a manner which would allow Eurosystem eligibility. This does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that the Eurosystem eligibility criteria have been met.

7.5 Listing and Admission to Trading

Application has been made for admission of the Notes to the official list of the Luxembourg Stock Exchange and for admission for trading on the Euro MTF in accordance with the rules of that exchange.

7.6 Notices to Bondholders

For so long as the Bonds are listed on the Euro MTF, all notices regarding the Notes will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

7.7 Documents on Display

For so long as Notes are outstanding, electronic versions of the following documents are available on the website of the Luxembourg Stock Exchange (www.bourse.lu):

(a) the Articles of Association (Satzung) of the Issuer (accessed by using the hyperlink: "http://dl.bourse.lu/dlp/1055758f918e4242c1a41d4f80f1079732"); and

(b) the documents incorporated by reference in this Prospectus (accessed by using the hyperlinks set out in the section "*8.1 Documents Incorporated by Reference*" below).

The Prospectus and any supplement to this Prospectus will be available in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

7.8 Third Party Information

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) neither the Issuer nor any Manager has

independently verified any such information and neither the Issuer nor any Manager accepts any responsibility for the accuracy thereof.

7.9 Yield to First Reset Date

For the subscribers, the yield of the Notes is 2.226 per cent. *per annum*, calculated on the basis of (i) the issue price and (ii) the assumption that the Notes will be called on the First Reset Date. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) Method. Notwithstanding the above mentioned assumption, there is no assurance as to whether or not the Notes will be actually called on the First Reset Date. Therefore, the yield realized by subscribers may be significantly lower.

7.10 Websites

For the avoidance of doubt, the content of any website referred to in this Prospectus does not form part of this Prospectus, except where expressly stated otherwise.

7.11 Rating of the Notes

The Notes are expected to be rated BBB-[1)] by S&P.

S&P defines "BBB-" as follows: An obligation rated 'BBB-' means that the Issuer has an adequate capacity to meet financial commitments, but more subject to adverse economic conditions. S&P rating scale for issue credit rating consists of the following categories: "AAA", "AA", "A", "BBB", "BB", "B", "CCC", "CC", "C", "D" (in descending order). The ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Where an issue of Notes is rated a security rating is not a recommendation to buy, sell or hold securities and may be be revised or withdrawn by the rating agency at any time. Any negative change in the credit rating of the Issuer could adversely affect the trading price of the Notes. Investors should consider each rating individually and obtain additional and more detailed understanding of the significance of the respective credit rating information provided by the respective rating agency.

Credit ratings of the Notes will be issued by S&P Global Ratings Europe Limited ("**S&P**"). S&P is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs.

7.12 Legal Entity Identifier

The legal entity identifier (LEI) of W&W AG is 5299003H07ZT0Z5ZNN35.

8 DOCUMENTS INCORPORATED BY REFERENCE

8.1 Documents Incorporated by Reference

The following documents which have previously been published or are published simultaneously with this Prospectus shall be incorporated by reference in, and form part of, this Prospectus to the extent set out in the paragraph entitled "*8.2 Cross-Reference List of Documents Incorporated by Reference*" below:

(a) the English translation of the audited German language annual consolidated financial statements of W&W AG as of and for the financial year ended December 31, 2020, available at https://www.ww-ag.com/media/files_1/investor_relations_2/reports/annual_reports/2020_6/2020_Annual_Report__WW.pdf (the "**Annual Report 2020 of W&W AG**") and the English translation of the respective Auditor's Opinion;

(b) the English translation of the audited German language annual consolidated financial statements of W&W AG as of and for the financial year ended December 31, 2019, available at https://www.ww-ag.com/media/files_1/investor_relations_2/reports/annual_reports/2019_6/20200717_WW_Annual_Report_2019_geschuetzt.pdf (the "**Annual Report 2019 of W&W AG**") and the English translation of the respective Auditor's Opinion;

(c) the English translation of the unaudited German language interim condensed financial statements of W&W AG as of and for the six-month period ended June 30, 2021, available at https://www.ww-ag.com/media/files_1/investor_relations_2/reports/interim_report/2021_3/WW_Interim_Report_june_2021.pdf (the "**Interim Report as at June 30, 2021 of W&W AG**");

(d) the English translation of the Solvency and Financial Condition Reports of W&W AG as of and for the financial year ended December 31, 2020, available at https://www.ww-ag.com/media/files_1/investor_relations_2/reports/solvency_ii_reports/SFCR_WW_AG_2020_EN~1.pdf (the "**SFCR Report of W&W AG 2020**"); and

(e) the English translation of the Solvency and Financial Condition Reports of W&W Solvncy II Group as of and for the financial year ended December 31, 2020, available at https://www.ww-ag.com/media/files_1/investor_relations_2/reports/solvency_ii_reports/WW_Gruppe_SFCR_2020_EN.pdf (the "**SFCR Report of W&W Solvency II Group 2020**"),

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. For the avoidance of doubt, the content of any website referred to in this Prospectus does not form part of this Prospectus.

8.2 Cross-Reference List of Documents Incorporated by Reference

1. The following information is set forth in the Annual Report 2020 of W&W AG:

	Page(s)
Combined management report	12-101
Consolidated balance sheet	104-105
Consolidated income statement	106-107
Consolidated statement of comprehensive income	108-109

Consolidated statement of changes in equity	110-111
Consolidated cash flow statement	112-114
Notes to the consolidated financial statements	115-280
Auditor's Report	282-291

2. The following information is set forth in the Annual Report 2019 of W&W AG:

	Page(s)
Combined management report	10-87
Consolidated balance sheet	90-91
Consolidated income statement	92-93
Consolidated statement of comprehensive income	94-95
Consolidated statement of changes in equity	96-97
Consolidated cash flow statement	98-100
Notes to the consolidated financial statements	101-277
Auditor's Opinion	279-288

3. The following information is set forth in the Interim Report as at June 30, 2021 of W&W AG:

	Page(s)
Group Interim Management Report	4-19
Consolidated balance sheet	20-21
Consolidated income statement	22-23
Consolidated statement of comprehensive income	24-25
Consolidated statement of changes in equity	26-27
Condensed consolidated cash flow statement	28
Selected explanatory notes	29-70
Auditor's review report	72-73

4. The following information is set forth in the SFCR Report of W&W AG 2020:

	Page(s)
Summary	4-18
System of governance	19-41
Risk profile	42-57
Valuation for solvency purposes	58-83
Capital management	84-89
Annex	90-107

5. The following information is set forth in the SFCR Report of W&W Solvency II Group 2020:

	Page(s)
Summary	2-17
System of governance	18-44
Risk profile	45-63
Valuation for solvency purposes	64-83
Capital management	84-92
Annex	93-112

The respective parts of the (i) Annual Report 2020 of W&W AG, the (ii) Annual Report 2019 of W&W AG, the (iii) Interim Report as at June 30, 2021 of W&W AG, (iv) the SFCR Report of W&W AG 2020 and the (v) SFCR Report of W&W Solvency II Group 2020 that are not listed in the cross-reference list above are not incorporated by reference and are not relevant for investors.

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Federal Republic of Germany

UniCredit Bank AG
Arabellastrasse 12
81925 Munich
Federal Republic of Germany

Principal Paying Agent and Calculation Agent

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Ireland

Auditors

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