



Aegon N.V.

EUR 500,000,000 Perpetual Contingent Convertible Securities

Issue Price of the Securities: 100 per cent.

The EUR 500,000,000 Perpetual Contingent Convertible Securities (the "**Securities**") will be issued by Aegon N.V. (the "**Issuer**") on 4 April 2019 (the "**Issue Date**"). The Securities constitute unsecured and subordinated obligations of the Issuer. The terms and conditions of the Securities are set out more fully in "*Terms and Conditions of the Securities*" below (the "**Conditions**").

The Securities will bear interest at a rate per annum, (subject as described in the Conditions) equal to (i) from the Issue Date up to (but excluding) the First Reset Date 5.625 per cent. and (ii) thereafter a fixed rate of interest which will be reset on the First Reset Date and on each fifth anniversary of the First Reset Date thereafter as the sum of the applicable 5 Year Mid-Swap Rate and the Margin, converted to a semi-annual rate in accordance with market convention, payable semi-annually in arrear on each Interest Payment Date, as more fully described in the Conditions.

The Issuer may elect at any time to cancel (in whole or in part) any Interest Payment (as defined herein) otherwise scheduled to be paid on an Interest Payment Date and shall, save as otherwise permitted pursuant to the Conditions, cancel an Interest Payment upon the occurrence of a Mandatory Interest Cancellation Event (as defined herein) with respect to that Interest Payment. Any interest accrued in respect of an Interest Payment Date which falls on or after the date on which a Conversion Trigger Event (as defined herein) occurs shall also be cancelled. The cancellation of any Interest Payment shall not constitute a default for any purpose on the part of the Issuer. Any Interest Payment (or part thereof) which is cancelled in accordance with the Conditions shall not become due and payable in any circumstances. Subject as provided in the Conditions, all payments in respect of or arising from the Securities are conditional upon the Issuer being solvent (as defined in the Conditions) at the time for payment and immediately thereafter.

Payments in respect of the Securities by or on behalf of the Issuer will be made without withholding or deduction for, or on account of, taxes of the Netherlands, as more fully described in the Conditions.

The Securities are complex and high risk. There are risks inherent in the holding of the Securities, including the risks in relation to their subordination and the circumstances in which holders of Securities may suffer loss as a result of holding the Securities. See "Risk Factors" beginning on page 20 for a discussion of certain risks to be taken into account in connection with an investment in the Securities.

The Securities are perpetual securities with no fixed redemption date. The Issuer shall only have the right to redeem or purchase the Securities in accordance with the Conditions. Holders of the Securities (as defined herein) have no right to require the Issuer to redeem or purchase the Securities at any time.

Subject to compliance with the Redemption and Purchase Conditions (as defined herein), the Securities may be redeemed at the option of the Issuer at any time from the First Call Date to and including the First Reset Date and on any Reset Date thereafter at their Base Redemption Price (as defined herein). Upon the occurrence of certain specified events relating to taxation or following the occurrence of a Capital Disqualification Event or a Rating Methodology Event (each as defined herein), the Issuer may redeem the Securities at their Base Redemption Price or vary or exchange the Securities for Qualifying Securities (as defined herein), in each case subject to compliance with the Redemption and Purchase Conditions, and as more fully described in the Conditions.

UPON THE OCCURRENCE OF A CONVERSION TRIGGER EVENT (AS DEFINED HEREIN) THE SECURITIES WILL BE CONVERTED INTO COMMON SHARES OF THE ISSUER AT THE PREVAILING CONVERSION PRICE (AS DEFINED HEREIN).

With effect from the Conversion Date (as defined herein), no holder of a Security will have any rights against the Issuer with respect to the repayment of principal or interest in respect of the Securities. The Securities are not convertible at the option of the holders of the Securities at any time.

The Securities are in registered form and are issued in denominations of EUR 200,000 and integral multiples of EUR 1,000 in excess thereof up to (and including) EUR 399,000.

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

This Offering Circular does not comprise a prospectus for the purposes of Article 5 of Directive 2003/71/EC (as amended or superseded) (the “**Prospectus Directive**”). Application has been made to The Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) for the approval of this Offering Circular as Listing Particulars. Application has been made to Euronext Dublin for the Securities to be admitted to the official list (the “**Official List**”) and to trading on the Global Exchange Market of Euronext Dublin (“**GEM**”). References in this Offering Circular to the Securities being “listed” (and all related references) shall mean that the Securities have been admitted to the Official List and have been admitted to trading on GEM. GEM is the exchange regulated market of Euronext Dublin and is not a regulated market for the purposes of Directive 2014/65/EU.

The Securities are expected to be assigned a rating of BB+ by Fitch Ratings Limited (“**Fitch**”), Baa3 by Moody’s Investors Service Ltd. (“**Moody’s**”) and BBB- by S&P Global Ratings Europe Limited (“**S&P**”). S&P is established in the European Union (the “**EU**”) and is registered under Regulation (EC) No. 1060/2009 (as amended) of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the “**CRA Regulation**”). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Securities are not intended to be sold and should not be sold to retail clients in the European Economic Area (the “EEA”), as defined in the rules set out in the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015 (as amended or replaced from time to time, the “PI Instrument”), other than in circumstances that do not and will not give rise to a contravention of those rules by any person. Prospective investors are referred to the section headed “Restrictions on marketing and sales to retail investors” on pages 4 to 5 of this Offering Circular for further information.

Prospective investors should read the whole of this document and the registration document of the Issuer dated 10 July 2018, prepared in accordance with Article 5 of the Prospectus Directive and approved by the Netherlands Authority for the Financial Markets, as supplemented by supplements dated 4 October 2018 and 25 March 2019 (together, the “Registration Document”), as well as the other documents incorporated herein by reference. In particular, their attention is drawn to the risk factors described in the section entitled “Risk Factors” set out on pages 20 to 44 of this document and on pages 4 to 22 of the Registration Document, which they should read in full.

Certain information in relation to the Issuer, including the Registration Document, has been incorporated by reference into this document, as set out in “*Documents Incorporated by Reference*”.

Capitalised terms used but not otherwise defined in this Offering Circular shall, unless the context requires otherwise, have the meaning given to them in the Conditions.

Structuring Advisers

HSBC

Citigroup

Joint Lead Managers

ABN AMRO

Barclays

BNP PARIBAS

Citigroup

HSBC

IMPORTANT NOTICES

This Offering Circular constitutes the listing particulars in respect of the admission of the Securities to the Official List and to trading on GEM and for the purpose of giving information with regard to the Issuer and the Issuer and all of its consolidated subsidiaries and undertakings, as reflected in the primary consolidated financial statements of the Issuer (the "**Group**") and the Securities which, according to the particular nature of the Issuer and the Securities, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. The Issuer accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all the documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*").

EACH PURCHASER OF THE SECURITIES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS THE SECURITIES OR POSSESSES OR DISTRIBUTES THIS OFFERING CIRCULAR AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE SECURITIES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NEITHER THE ISSUER NOR THE JOINT LEAD MANAGERS SHALL HAVE ANY RESPONSIBILITY THEREFOR.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Lead Managers (as defined in "*Subscription and Sale*" below) to subscribe or purchase, any of the Securities. The distribution of this Offering Circular and the offering of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Securities and distribution of this Offering Circular, see "*Subscription and Sale*".

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Securities 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 Joint Lead Managers. Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Securities is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Joint Lead Managers have not separately verified the information contained in this Offering Circular and make no representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. To the fullest extent permitted by law, the Joint Lead Managers accept no responsibility whatsoever for the contents of this Offering Circular or for any other statement, made or purported to be made by a Joint Lead Manager or on its behalf in connection with the Issuer or the issue and offering of the Securities. Each Joint Lead Manager

accordingly disclaims all and any which it might otherwise have in respect of this Offering Circular or any such statement.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements. Subject to certain exceptions, Securities and any Common Shares which may be delivered upon conversion of the Securities may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

None of the Issuer or the Joint Lead Managers is providing any advice or recommendation in this Offering Circular on the merits of the purchase, subscription for, or investment in, the Securities or the exercise of any rights conferred by the Securities.

This Offering Circular has been prepared on the basis that any purchaser of Securities is a person or entity having sufficient knowledge and experience of financial matters as to be capable of evaluating the merits and risks of the purchase. Before making any investment decision with respect to the Securities, prospective investors should consult their own counsel, accountants or other advisers and carefully review and consider their investment decision in the light of the foregoing. An investment in the Securities is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may result therefrom.

RESTRICTIONS ON MARKETING AND SALES TO RETAIL INVESTORS

The Securities are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients in the European Economic Area, as defined in the rules set out in the Market in Financial Instruments Directive 2014/65/EU, as amended or replaced from time to time ("MiFID II").

The Securities 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 with features similar to the Securities to retail investors. In particular, in June 2015, the FCA published the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015 (the "**PI Instrument**"). In addition, (i) on 1 January 2018, the provisions of Regulation (EU) No. 1286/2014 on key information documents for packaged and retail and insurance-based investment products ("**PRIIPs**") became directly applicable in all EEA member states and (ii) MiFID II was required to be implemented in EEA member states by 3 January 2018. Together the PI Instrument, PRIIPs and MiFID II are referred to as the "**Regulations**". The Regulations set out various obligations in relation to (i) the manufacture and distribution of financial instruments and (ii) the offering, sale and distribution of packaged retail and insurance-based investment products and certain contingent write down or convertible securities, such as the Securities.

Potential investors in the Securities should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the Securities (or any beneficial interests therein) including the Regulations.

Each Joint Lead Manager is required to comply with some or all of the Regulations. By purchasing, or making or accepting an offer to purchase, any Securities (or a beneficial interest therein) from the Issuer and/or any Joint Lead Manager, each prospective investor represents, warrants, agrees with, and undertakes to, the Issuer and the Joint Lead Managers that:

1. it is not a retail client in the EEA (as defined in MiFID II);

2. it will not:
 - (A) sell or offer the Securities (or any beneficial interest therein) to retail clients in the EEA (as defined in MiFID II); or
 - (B) communicate (including the distribution of this Offering Circular) or approve an invitation or inducement to participate in, acquire or underwrite the Securities (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the EEA (in each case within the meaning of the MiFID II) (noting that it may not rely on the limited exemptions set out in the PI Instrument). In selling or offering Securities or making or approving communications relating to the Securities, it may not rely on the limited exceptions set out in the PI Instrument; and
3. if it is a person in Hong Kong, it is a “professional investor” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; and
4. it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA) relating to the promotion, offering, distribution and/or sale of the Securities (and any beneficial interest therein), including (without limitation) the Regulations and any other applicable laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Securities (or any beneficial interest therein) by investors in any relevant jurisdiction.

It will further acknowledge that:

- (i) the identified target market for the Securities (for the purposes of the product governance obligations in MiFID II) is eligible counterparties and professional clients; and
- (ii) no key information document (KID) under PRIIPs has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under PRIIPs.

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 2016/97/EU (“IDD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

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

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore - In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore and the Securities and Futures (Capital Markets Products) Regulations 2018 (the “**CMP Regulations 2018**”), the Issuer has determined the classification of the Securities as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment

Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

References to "euro", "EUR" and "€" refer to the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community as amended by the Treaty on European Union.

In connection with the issue of the Securities, HSBC Bank plc (the "Stabilising Manager") (or any person acting on behalf of the Stabilising Manager) may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Securities is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Securities and 60 days after the date of the allotment of the Securities. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

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OVERVIEW

This overview must be read as an introduction to this Offering Circular and any decision to invest in the Securities should be based on a consideration of this Offering Circular as a whole, including the documents incorporated by reference herein. Capitalised terms which are defined in "Terms and Conditions of the Securities" have the same meaning when used in this overview.

Issuer:	Aegon N.V.
Securities:	EUR 500,000,000 Perpetual Contingent Convertible Securities.
Issue Date:	4 April 2019.
Issue Price:	100 per cent.
Perpetual Securities:	The Securities are perpetual Securities with no fixed maturity or redemption date, and the holders of the Securities (the " holders of the Securities ") have no right to require the Issuer to redeem or purchase the Securities at any time.
Status and Subordination:	<p>The Securities will constitute unsecured and subordinated obligations of the Issuer and will rank <i>pari passu</i> and without any preference among themselves.</p> <p>The rights and claims of the holders of the Securities against the Issuer are subordinated as described in Condition 4 (<i>Subordination</i>).</p> <p>At any time prior to the date on which a Conversion Trigger Event occurs, in the event of the bankruptcy, winding up or moratorium (<i>faillissement, vereffening na ontbinding</i> or <i>surseance van betaling</i>) of the Issuer the payment obligations of the Issuer under the Securities shall rank in right of payment after the claims in respect of all Senior Obligations of the Issuer (and payment to holders of the Securities may only be made after all obligations of the Issuer in respect of such Senior Obligations have been satisfied), but, as the case may be, <i>pari passu</i> with claims in respect of Parity Obligations and in priority to claims in respect of any Junior Instruments.</p> <p>At any time on or after the date on which a Conversion Trigger Event occurs, in the event of the bankruptcy, winding up or moratorium (<i>faillissement, vereffening na ontbinding</i> or <i>surseance van betaling</i>) of the Issuer, but the relevant Common Shares to be issued and delivered to the Conversion Shares Depositary on Conversion in accordance with Condition 7 (<i>Conversion</i>) have not been so issued and delivered, each holder of Securities shall have a claim (in lieu of any other payment by the Issuer) for the amount, if any, it would have been entitled to receive if the Conversion relating to such Conversion Trigger Event had occurred, and the relevant number of Conversion Shares to which such holder would have been entitled had been</p>

delivered to such holder, immediately prior to the Winding Up occurring.

No holder of a Security may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Securities and each holder of a Security shall, by virtue of his holding of any Security, be deemed to have waived all such rights of set-off, compensation or retention.

Interest Rate:

The Securities will bear interest at a rate per annum, (subject as described in the Conditions) equal to (i) from the Issue Date up to (but excluding) the First Reset Date 5.625 per cent. and (ii) thereafter a fixed rate of interest which will be reset on the First Reset Date and on each Reset Date thereafter as the sum of the applicable 5 Year Mid-Swap Rate and the Margin (being 5.207 per cent. per annum), converted to a semi-annual rate in accordance with market convention, payable semi-annually in arrear on each Interest Payment Date.

Benchmark replacement or discontinuation:

If a Benchmark Event occurs in relation to the 5 Year Mid-Swap Rate when any Interest Rate (or any component part thereof) remains to be determined by reference to such 5 Year Mid-Swap Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Benchmark Adviser to determine an alternative rate (the “**Alternative Benchmark Rate**”) and an alternative screen page or source (the “**Alternative Screen Page**”) (in each case in accordance with Condition 5.3(b)).

Cancellation of Interest Payments:

If the Issuer does not make an Interest Payment (including any Additional Amounts) (or part thereof) on the relevant Interest Payment Date, such non-payment shall evidence:

- (i) the cancellation of such Interest Payment in accordance with the provisions described under "*Mandatory Cancellation of Interest Payments*" below; or
- (ii) the cancellation of such Interest Payment (or relevant part thereof) in accordance with Condition 7.7 (*Accrued Interest on Conversion*); or
- (iii) the Issuer's exercise of its discretion otherwise to cancel such Interest Payment (or relevant part thereof) as described under "*Optional Cancellation of Interest Payments*" below.

Mandatory Cancellation of Interest Payments:

Subject to certain limited exceptions as more fully described in the Conditions, the Issuer shall be required to cancel any Interest Payment (including any Additional Amounts) if:

- (i) the Solvency Condition is not met at the time for payment of such Interest Payment, or would cease to be met immediately following, and as a result of making, such Interest Payment; or

- (ii) the Issuer has determined that there is non-compliance with the Solvency Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Solvency Capital Requirement would occur immediately following, and as a result of making, such Interest Payment; or
- (iii) the Issuer has determined that there is non-compliance with the Minimum Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Minimum Capital Requirement would occur immediately following, and as a result of making, such Interest Payment; or
- (iv) the amount of such Interest Payment, when aggregated together with any Additional Amounts payable with respect thereto, any interest payments or distributions which have been made or which are scheduled simultaneously to be paid or made on all Tier 1 Own Funds (excluding any such payments which do not reduce the Issuer's Distributable Items and any payments already accounted for in determining the Issuer's Distributable Items) since the end of the latest financial year of the Issuer and prior to, or on, such Interest Payment Date, would exceed the amount of the Issuer's Distributable Items as at the Interest Payment Date in respect of such Interest Payment; or
- (v) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a group basis, that in accordance with the Capital Adequacy Regulations at such time the Issuer must take specified action in relation to cancellation of payments of interest under the Securities.

The Issuer shall not be required to cancel an Interest Payment where a Mandatory Interest Cancellation Event has occurred and is continuing, or would occur if payment of interest (including any Additional Amounts) on the Securities were to be made, where:

- (A) the Mandatory Interest Cancellation Event is of the type described in paragraph Condition 6.2(b) (*Mandatory Cancellation of Interest Payments*) only; and
- (B) the Relevant Supervisory Authority has exceptionally waived the cancellation of the Interest Payment; and
- (C) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that payment of the Interest Payment would not further weaken the solvency position of the Group; and

- (D) the Minimum Capital Requirement will be complied with immediately following such Interest Payment, if made.

Issuer's Distributable Items:

Without double-counting, an amount equal to:

- (a) the retained earnings and the distributable reserves of the Issuer, calculated on an unconsolidated basis, as at the last calendar day of the most recently ended financial year of the Issuer; plus
- (b) the profit for the period (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date; less
- (c) the loss for the period (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date,

each as defined under national law, or in the articles of association of the Issuer.

Optional Cancellation of Interest Payments:

Interest (including any Additional Amounts) on the Securities is due and payable on each Interest Payment Date, subject to the restrictions set out in the Conditions. In addition, the Issuer may at its sole and absolute discretion at any time elect to cancel any interest payment (or part thereof) which would otherwise be payable on any Interest Payment Date.

Solvency Condition:

Other than in bankruptcy, winding up or moratorium (*faillissement, vereffening na ontbinding or surseance van betaling*) of the Issuer, all payments in respect of or arising from (including any damages for breach of any obligations under) the Securities shall be conditional upon the Issuer being solvent at the time for payment by the Issuer and no amount shall be due and payable by the Issuer in respect of or arising from (including any damages for breach of any obligations under) the Securities except to the extent that the Issuer could make such payment and still be solvent immediately thereafter.

The Issuer will be solvent if (i) it is able to pay its debts owed under its Senior Obligations as they fall due and (ii) its Assets exceed its Liabilities (other than Liabilities which do not constitute Senior Obligations).

Any payment of interest (including any Additional Amounts) that would have been due but for the Solvency Condition being satisfied shall be cancelled.

For this purpose:

"**Assets**" means the non-consolidated gross assets of the Issuer as shown by the then latest published audited balance sheet of the Issuer but adjusted for contingencies and for subsequent events and to such extent as two members of the Issuer's Executive Board, the auditors or, as the case may be, the liquidator may determine to be appropriate.

"**Liabilities**" means the non-consolidated gross liabilities of the Issuer as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events and to such extent as two members of the Issuer's Executive Board, the auditors or, as the case may be, the liquidator may determine to be appropriate.

"**Senior Obligations**" means any present and future obligation of the Issuer to (a) unsubordinated creditors of the Issuer, including all policyholders (if any) or beneficiaries under contracts of insurance of the Issuer (if any) or (b) persons or entities with a claim in respect of the Issuer whose claims are, or are expressed to be, subordinated (whether only in the event of a Winding Up or otherwise) to the claims of unsubordinated creditors of the Issuer (such subordinated claims including any claims with respect to instruments that qualify as Tier 2 Own Funds or Tier 3 Own Funds (in each case whether or not such securities count as Tier 2 Own Funds or Tier 3 Own Funds, respectively, at the time) of the Issuer), other than creditors or other persons or entities whose claims are, or are expressed to rank, *pari passu* with or junior to the claims of the holders of the Securities.

Redemption at the option of the Issuer:

Subject to certain conditions, the Issuer may, upon notice to holders of the Securities and the Fiscal Agent, at its option, redeem all (but not some only) of the Securities at any time from the First Call Date to and including the First Reset Date and on any Reset Date thereafter at their Base Redemption Price.

Redemption at the option of the Issuer for taxation reasons:

Subject to certain conditions, if as a result of a Gross-Up Event which change or amendment becomes effective after the Issue Date, on the next payment of interest due in respect of the Securities the Issuer would be required to pay Additional Amounts and the effect of the foregoing cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may, upon notice to the holders of the Securities and the Fiscal Agent, redeem all (but not some only) of the Securities at any time, but no earlier than 4 April 2024, at their Base Redemption Price.

Redemption, exchange or variation at the option of the Issuer due to a Regulatory Event:

Subject to certain conditions, if at any time a Capital Disqualification Event has occurred and is continuing or a Capital Disqualification Event will occur within the forthcoming period of six months, then the Issuer may, upon notice to holders of the Securities and the Fiscal Agent either:

- (i) redeem all (but not some only) of the Securities at any time at their Base Redemption Price; or
- (ii) exchange on any Interest Payment Date all (but not some only) of the Securities for new securities, or vary the terms of the Securities so that they remain or, as appropriate, become Qualifying Securities of the Issuer. Any such exchange or variation requires prior approval of the Relevant Supervisory Authority.

“**Capital Disqualification Event**” means that as a result of any change in the Capital Adequacy Regulations (or an official application or interpretation of those rules and regulations) on or after the Issue Date, the Securities cease, in whole or in part, to be capable of qualifying as at least Tier 1 Own Funds, on a Group basis, or as other equivalent regulatory capital of the Issuer under the Capital Adequacy Regulations except where such non-qualification is only as a result of any applicable limitation on the amount of such capital;

Redemption, exchange or variation at the option of the Issuer due to a Rating Methodology Event:

Subject to certain conditions, if at any time a Rating Methodology Event has occurred and is continuing or a Rating Methodology Event will occur within the forthcoming period of six months, then the Issuer may, upon notice to holders of the Securities and the Fiscal Agent either:

- (i) redeem all (but not some only) of the Securities at any time at their Base Redemption Price; or
- (ii) exchange on any Interest Payment Date all (but not some only) of the Securities for new securities, or vary the terms of the Securities, so that they remain or, as appropriate, become Rating Agency Compliant Securities. Any such exchange or variation requires prior approval of the Relevant Supervisory Authority.

A "**Rating Methodology Event**" will be deemed to occur upon a change in, or clarification to, the methodology of any Rating Agency (or in the interpretation of such methodology) as a result of which the equity content previously assigned by such Rating Agency to the Securities is, in the Issuer’s reasonable opinion, materially reduced when compared to the equity content assigned by such Rating Agency at or around the Issue Date;

Purchases:

Subject to certain conditions, the Issuer or any of its affiliated entities may at any time purchase Securities in any manner and at any price.

Conditions to redemption and purchase:

Subject to certain conditions, the Securities may not be redeemed pursuant to any of the optional redemption provisions, exchanged or purchased by the Issuer or any of its affiliates if:

- (A) the Solvency Condition is not met immediately prior to

the redemption or purchase of the Securities (as applicable) or the redemption or purchase (as applicable) would cause the Solvency Condition to be breached; or

- (B) the Issuer has determined that the Solvency Capital Requirement is not met immediately prior to the redemption or purchase of the Securities (as applicable) or the redemption or purchase (as applicable) would cause the Solvency Capital Requirement to be breached; or
- (C) the Issuer has determined that the Minimum Capital Requirement is not met immediately prior to the redemption or purchase of the Securities (as applicable) or the redemption or purchase (as applicable) would cause the Minimum Capital Requirement to be breached; or
- (D) an Insolvent Insurer Liquidation has occurred and is continuing; or
- (E) the Regulatory Clearance Condition is not satisfied; or
- (F) any other requirements or pre-conditions to which the Issuer is otherwise subject and which may be imposed by the Relevant Supervisory Authority have not been complied with following the proposed redemption or purchase (and will continue to not be complied with following the proposed redemption or purchase); or
- (G) the Relevant Authority has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a group basis, that in accordance with the Capital Adequacy Regulations the Issuer must take specified action in relation to deferral of redemption or repurchase of the Securities,

In the case of an optional redemption or any purchase of the Securities by the Issuer referred to in Condition 8 (Redemption, Exchange, Variation and Purchase):

- (i) that is within five years from the Issue Date, such redemption or purchase shall be in exchange for or funded out of the proceeds of a new issuance of capital of at least the same quality as the Securities or, to the extent permitted by the Capital Adequacy Regulations, the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin as provided in the Capital Adequacy Regulations, in each case, if required pursuant to the Capital Adequacy Regulations;

- (ii) that is after the fifth anniversary of the Issue Date and before the tenth anniversary of the Issue Date, or any other such period prescribed by the Capital Adequacy Regulations, the Relevant Supervisory Authority shall have confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin as provided in the Capital Adequacy Regulations, unless such redemption or purchase shall be in exchange for or funded out of the proceeds of a new issuance of capital of at least the same quality as the Securities, if required pursuant to the Capital Adequacy Regulations.

Withholding tax and additional amounts:

Subject to certain exceptions, payments on the Securities shall be made without withholding or deduction for, or on account of, any Taxes imposed or levied by or on behalf of the Relevant Jurisdiction unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will, subject to certain exceptions set out in Condition 10 (Taxation), pay such additional amounts in respect of Interest Payments, but not in respect of any payments of principal, as may be necessary in order that the net payment received by each holder of a Security in respect of the Securities, after the withholding or deduction shall equal the amount which would have been received in the absence of any such withholding or deduction.

Non-payment when due:

Any failure by the Issuer to pay interest when it is scheduled to be paid (or at all) or principal when due and payable in respect of the Securities shall not constitute an event of default and does not give holders of the Securities any right to demand repayment of the principal amount of the Securities. If a Winding Up occurs then any holder of a Security may, by written notice to the Issuer at the specified office of the Fiscal Agent, declare its Securities to be forthwith due and payable whereupon the same shall become forthwith due and payable at its principal amount and any accrued but unpaid interest from the previous Interest Payment Date up to (but excluding) the date of repayment (unless cancelled) provided that repayment of Securities will only be effected after the Issuer has obtained the prior written permission of the Relevant Supervisory Authority provided that at the relevant time such permission is required. No other remedy against the Issuer shall be available to the holders of the Securities, whether for recovery of amounts owing in respect of the Securities or in respect of any breach by the Issuer of any of its obligations under or in respect of the Securities.

“**Winding Up**” means the Issuer’s winding up (*vereffening na ontbinding*) or bankruptcy (*faillissement*).

Conversion:

If the Conversion Trigger Event occurs, the Issuer’s obligations under each Security shall be irrevocably discharged and satisfied by the Conversion into Common Shares, credited as fully paid,

and the issuance of such Common Shares to the Conversion Shares Depository to be held for the holders of the Securities.

Conversion Trigger Event:

A Conversion Trigger Event shall occur if at any time:

- (i) the amount of Own Fund Items eligible to cover the Solvency Capital Requirement is equal to or less than 75 per cent. of the Solvency Capital Requirement;
- (ii) the amount of Own Fund Items eligible to cover the Minimum Capital Requirement is equal to or less than the Minimum Capital Requirement; or
- (iii) in case the Minimum Capital Requirement is an event, such event occurs; or
- (iv) a breach of the Solvency Capital Requirement has occurred and such breach has not been remedied within a period of three (3) months from the date on which the breach was first observed.

Whether the Conversion Trigger Event has occurred at any time shall be determined by the Issuer, and such determination shall be binding on the Fiscal Agent and the holders of the Securities.

Conversion Price:

The Conversion Price per Common Share in respect of the Securities is EUR 2.994, subject to certain adjustments described in the Conditions.

Conversion Shares Offer:

Not later than the tenth (10th) Business Day following the Conversion Date, the Issuer may, in its sole and absolute discretion, make an election that the Conversion Shares Depository (or an agent on its behalf) will make an offer, in the Issuer's sole and absolute discretion, of all or some of the Conversion Shares to be delivered on Conversion to, in the Issuer's sole and absolute discretion, all or some of the Shareholders at such time or to any other third party, such offer to be at a price not lower than the Conversion Shares Offer Price.

The Conversion Shares Offer Period shall end no later than 40 Business Days after the giving of the Conversion Shares Offer Notice by the Issuer.

Upon expiry of the Conversion Shares Offer Period, the Conversion Shares Depository will provide notice to the holders of the Securities and the Fiscal Agent of the composition of the Conversion Shares Offer Consideration (and of the deductions to the cash component, if any, of the Conversion Shares Offer Consideration (as set out in the definition of Conversion Shares Offer Consideration)) per Calculation Amount. The Conversion Shares Offer Consideration shall be held by the Conversion Shares Depository for the holders of the Securities. The cash component of any Conversion Shares Offer Consideration shall

be payable by the Conversion Shares Depositary to the holders of the Securities in euro irrespective of whether or not the Solvency Condition is satisfied. If any Conversion Shares are sold in the Conversion Shares Offer, the cash component of the Conversion Shares Offer Consideration shall never exceed the product of (a) the principal amount of such Security and (b) the proportion (expressed as a percentage) of the Conversion Shares sold in the Conversion Shares Offer, any excess of such cash component being forfeited and transferred to the Issuer. Furthermore, the Conversion Shares Offer Price may be lower than the Conversion Price.

Conversion Shares Offer Consideration:

In respect of each Security and as determined by the Conversion Calculation Agent:

- (a) if all of the Conversion Shares to be issued and delivered on Conversion are sold in the Conversion Shares Offer, the pro rata share of the cash proceeds from the sale of such Conversion Shares attributable to such Security translated, if necessary, into euro at the Prevailing Rate on the last day of the Conversion Shares Offer Period (less any foreign exchange transaction costs, if applicable);
- (b) if some but not all of such Conversion Shares are sold in the Conversion Shares Offer:
 - (i) the pro rata share of the cash proceeds from the sale of such Conversion Shares attributable to such Securities translated, if necessary, into euro at the Prevailing Rate on the last day of the Conversion Shares Offer Period (less any foreign exchange transaction costs); and
 - (ii) the pro rata share of such Conversion Shares not sold pursuant to the Conversion Shares Offer attributable to such Securities rounded down to the nearest whole number of Common Shares; and
- (c) if no Conversion Shares are sold in a Conversion Shares Offer, the relevant Conversion Shares attributable to such Securities rounded down to the nearest whole number of Common Shares,

subject, in the case of paragraphs (a) and (b)(i) above, to deduction from any such cash proceeds of (1) an amount equal to the pro rata share of any stamp duty, stamp duty reserve tax, or any other capital, issue, transfer, registration, financial transaction or documentary tax that may arise or be paid as a consequence of the transfer of any interest in such Conversion Shares to the Conversion Shares Depositary as a consequence of the Conversion Shares Offer or (2) an amount as a result of the

application of the restriction that the cash component of the Conversion Shares Offer Consideration shall never exceed the then outstanding product of (a) the principal amount of such Security and (b) the proportion (expressed as a percentage) of the Conversion Shares sold in the Conversion Shares Offer.

Common Shares:	The Conversion Shares issued and delivered on the Share Delivery Date will be fully paid and non-assessable and will in all respects rank <i>pari passu</i> with the fully paid Common Shares in issue on the Conversion Date, save as provided in the Conditions.
Form:	The Securities will be issued in registered form and represented upon issue by a registered global certificate (the " Global Certificate ") which will be registered in the name of a nominee for a common depositary (the " Common Depositary ") for Clearstream Banking, S.A. (" Clearstream, Luxembourg ") and Euroclear Bank SA/NV (" Euroclear ") on or about the Issue Date.
Denomination:	The Securities will be issued in denominations of EUR 200,000 each and integral multiples of EUR 1,000 in excess thereof up to (and including) EUR 399,000.
Meetings of holders of the Securities:	The Conditions contain provisions for calling meetings of holders of the Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Securities including holders of the Securities who did not attend and vote at the relevant meeting and holders of the Securities who voted in a manner contrary to the majority.
Listing:	Admission to listing on the Official List and to trading on GEM.
Ratings:	<p>The Securities are expected to be assigned a rating of BB+ Fitch, Baa3 by Moody's and BBB- by S&P.</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
Governing Law:	The Securities and any non-contractual obligations arising out of or in connection with the Securities will be governed by, and construed in accordance with, Dutch law.
Fiscal Agent:	Citibank, N.A., London Branch.
Registrar:	Citibank, N.A., London Branch.
Conversion Calculation Agent:	Conv-Ex Advisors Limited.
Listing Agent:	Arthur Cox Listing Services Limited.
Joint Lead Managers:	ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas,

Citigroup Global Markets Limited and HSBC Bank plc.

ISIN:

XS1886478806

Common Code:

188647880

Clearing Systems:

Euroclear and Clearstream, Luxembourg.

Selling Restrictions:

The Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from such registration. The Securities may be sold in other jurisdictions only in compliance with applicable laws and regulations. See “*Subscription and Sale*” below.

Use of Proceeds:

The net proceeds of the Securities will be used for the general corporate purposes of the Group (which may include, without limitation, the refinancing of existing debt).

RISK FACTORS

Before investing in the Securities, prospective investors should carefully consider the risks and uncertainties described below, together with the other information contained or incorporated by reference in this Offering Circular. The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, could have a material adverse effect on the Group, its business, revenues, prospects, results and financial condition, which could result in an inability of the Issuer to pay interest and/or principal and could negatively affect the price of the Securities. In that event, the value of the Securities could decline and an investor might lose part or all of his investment.

All of these risk factors and events are contingencies which may or may not occur. The Group may face a number of these risks described below simultaneously and one or more risks described below may be interdependent. The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the business, revenues, prospects, results and financial condition of the Group, which could result in an inability of the Issuer to pay interest and/or principal and could negatively affect the price of the Securities.

The risk factors are based on assumptions that could turn out to be incorrect. Furthermore, although the Group believes that the risks and uncertainties described below are the material risks and uncertainties concerning the Group's business and the Securities, they are not the only risks and uncertainties relating to the Group and the Securities. Other risks, events, facts or circumstances not presently known to the Group, or that the Group currently deems to be immaterial could, individually or cumulatively, prove to be important and could have a material adverse effect on the Group's business, revenues, prospects, results and financial condition. The value of the Securities could decline as a result of the occurrence of any such risks, events, facts or circumstances or as a result of the events, facts, or circumstances described in these risk factors, and investors could lose part or all of their investment.

Prospective investors should carefully read and review the entire Offering Circular (including any documents incorporated by reference herein) and should form their own views before making an investment decision with respect to any Securities. Furthermore, before making an investment decision with respect to any Securities, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and/or tax advisers and carefully review the risks associated with an investment in the Securities and consider such an investment decision in light of their personal circumstances.

Unless the context requires otherwise, capitalised terms which are defined in "Terms and Conditions of the Securities" or in the Registration Document incorporated by reference herein have the same meaning when used herein.

Each prospective investor in the Securities should refer to the section headed "Risk Factors" in the Registration Document for a description of those factors which could affect the financial performance of the Issuer and thereby affect the Issuer's ability to fulfil its obligations in respect of the Securities.

Risks Relating to the Group's Business

For a description of the risks associated with the Issuer, the Group and the Common Shares, see the section entitled "Risk Factors" of the Registration Document which is incorporated by reference herein.

Risks related to the structure of the Securities

An investor in the Securities assumes an enhanced risk of loss in the event of the Issuer's insolvency

The Issuer's obligations under the Securities will constitute unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves.

If, at any time prior to the date on which a Conversion Trigger Event occurs, any of the following events occur: bankruptcy, winding up or moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer, the payment obligations of the Issuer under the Securities shall rank in right of payment after the claims in respect of all Senior Debt of the Issuer (and payment to holders of the Securities may only be made after all obligations of the Issuer in respect of such Senior Debt have been satisfied) but, as the case may be, *pari passu* with claims in respect of Parity Obligations and in priority to claims in respect of any Junior Instruments.

If, at any time on or after the date on which a Conversion Trigger Event occurs, any of the following events occur: bankruptcy, winding up or moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer, but the relevant Common Shares to be issued and delivered to the Conversion Shares Depository on Conversion have not been so issued and delivered, each holder of Securities shall have a claim (in lieu of any other payment by the Issuer) for the amount, if any, it would have been entitled to receive if the Conversion relating to such Conversion Trigger Event had occurred, and the relevant number of Conversion Shares to which such holder would have been entitled had been delivered to such holder, immediately prior to such event occurring in accordance with Condition 7 (*Conversion*) (ignoring for these purposes the Issuer's right to make an election for a Conversion Shares Offer to be effected in accordance with Condition 7.5 (*Conversion Shares Offer*)).

Furthermore, by acceptance of the Securities, each holder of a Security will be deemed to have waived any right of set-off or counterclaim that such holder of a Security might otherwise have against the Issuer in respect of or arising under the Securities whether prior to or in a Winding Up.

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

In addition, investors should be aware that, upon Conversion of the Securities following a Conversion Trigger Event, holders of Securities will be effectively further subordinated as they will be treated as, and subsequently become, holders of Common Shares, even if other existing subordinated indebtedness remains outstanding. There is a risk that holders of Securities will lose the entire amount of their investment, regardless of whether the Issuer has sufficient assets available to settle what would have been the claims of holders of Securities or of securities subordinated to the same or greater extent as the Securities, in winding-up proceedings or otherwise. See the risk factor "Securities may be subject to conversion into Common Shares" below.

Furthermore, on 1 January 2019, the Dutch Act on Recovery and Resolution for Insurers ("**R&R Act**") came into force in the Netherlands, replacing the previously applicable intervention regime for insurance companies in the Netherlands faced with financial difficulties. The R&R Act allows Dutch Central Bank (*De Nederlandsche Bank N.V.*) ("**DNB**") to intervene in situations where a Dutch insurer or reinsurer is faced with financial difficulties. The powers under the R&R Act may also extend to entities, other than insurance or reinsurance entities in the Netherlands, that are part of the group, such as the Issuer. In addition, the R&R Act will allow DNB to require a Dutch insurance or reinsurance company or a group to remove, ex ante, impediments to effective resolution of a Dutch insurance or reinsurance undertaking (such as the revision of financing arrangements, the reduction of exposures, the transfer of assets, the termination or limitation of business activities, or the prohibition to start certain business activities,

change the legal or operational structure of the group, or securing certain critical business lines). The use of this tool may adversely affect the Issuer's business, results of operations and financial position.

In addition, to parts of the Group, in particular Aegon Bank N.V., the framework of the EU Directive on the recovery and resolution of credit institutions and investments firms (the "**Bank Recovery and Resolution Directive**") is applicable. The Bank Recovery and Resolution Directive also contains provisions that, in certain specific circumstances, where both Aegon Bank N.V. and the Issuer fail or are likely to fail, could be applied to mixed financial holding companies such as the Issuer, including the right of bail-in of creditors.

Lastly, under Part 6 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), the Dutch Minister of Finance may intervene immediately when the stability of the financial system is threatened by the situation of a financial institution, in which case legal or statutory provisions, applicable to the financial institution might be surpassed. The intervention measures available to the Dutch Minister of Finance, including the expropriation, write-off, write-down or conversion of securities such as shares and debt obligations issued by the Issuer (including Common Shares and the Securities), could have a material adverse effect on the performance by the Issuer of its obligations (of payment or otherwise) under contracts of any form and the rights of the owners or holders of these assets, securities and/or financial instruments.

There is a risk that the possible exercise of powers, or any perceived exercise of powers, by DNB or the Dutch Minister of Finance could have a material adverse effect on the performance by the Issuer of its obligations (of payment or otherwise) under contracts of any form, including the expropriation, write-off, write-down or conversion of securities such as shares and debt obligations (including Common Shares and the Securities) issued by the Issuer.

As the Issuer is a holding company, holders of Securities are structurally subordinated to the creditors of the Issuer's Subsidiaries

The Securities are the obligations of the Issuer alone. The Issuer is a holding company and the Issuer's Subsidiaries are separate and distinct legal entities with no obligation to pay, or provide funds in respect of, any amounts due in respect of the Issuer's payment obligations under the Securities.

Payments on the Securities are structurally subordinated to all existing and future liabilities and obligations of the Issuer's Subsidiaries. Claims of creditors of such Subsidiaries will have priority as to the assets of such Subsidiaries over the Issuer and its creditors, including the holders of Securities. The Conditions do not contain any restrictions on the ability of the Issuer or its Subsidiaries or associates to incur additional unsecured or secured indebtedness.

As a holding company, the level of the Issuer's Distributable Items is affected by a number of factors, and insufficient Issuer's Distributable Items will restrict the Issuer's ability to make interest payments on the Securities

As a holding company, the level of the Issuer's Distributable Items is affected by a number of factors, principally its ability to receive funds, directly or indirectly, from its operating subsidiaries in a manner which creates Issuer's Distributable Items. Consequently, the future Issuer's Distributable Items, and therefore the Issuer's ability to make Interest Payments on the Securities, are a function of the existing Issuer's Distributable Items, future Group profitability and performance and the ability to distribute or dividend profits from the Issuer's operating Subsidiaries up the Group structure to the Issuer. In addition, the Issuer's Distributable Items will also be reduced by the servicing of other debt and equity instruments.

The ability of the Issuer's operating Subsidiaries to pay dividends and the Issuer's ability to receive distributions and other payments from the Issuer's investments in other entities is subject to applicable

local laws and other restrictions, including their respective regulatory, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws, and any changes thereto. These laws and restrictions could limit the payment of dividends, distributions and other payments to the Issuer by the Issuer's operating Subsidiaries, which could in time restrict the Issuer's ability to fund other operations or to maintain or increase its Issuer's Distributable Items.

The Securities have no scheduled maturity and holders of Securities only have a limited ability to exit their investment in the Securities

The Securities are perpetual securities and have no fixed maturity date or fixed redemption date and are not redeemable at the option or election of the holders of the Securities. Although the Issuer may, under certain circumstances described in Condition 8 (*Redemption, Exchange, Variation and Purchase*), redeem the Securities, the Issuer is under no obligation to do so and holders of Securities have no right to call for the Issuer to exercise any right it may have to redeem the Securities.

Therefore, holders of Securities have no ability to exit their investment, except (i) in the event of the Issuer exercising its right to redeem the Securities in accordance with the Conditions, (ii) by selling their Securities or, following the occurrence of a Conversion Trigger Event and the issue and delivery of Common Shares, their Common Shares (provided the Common Shares issued upon Conversion are not all sold pursuant to a Conversion Shares Offer), (iii) through the cash component of any Conversion Shares Offer Consideration, or (iv) upon a Winding Up, in which limited circumstances the holders of Securities may receive some of any resulting liquidation proceeds following payment being made in full to all senior and more senior subordinated creditors. The proceeds, if any, realised in a Winding Up may be substantially less than the principal amount of the Securities or the price paid by an investor for the Securities. See also "Absence of public markets for the Securities" below.

Payments by the Issuer are conditional upon the Issuer being solvent

Other than in the circumstances set out in Condition 4.2 (*Status in case of certain events occurring prior to a Conversion Trigger Event*) or Condition 4.3 (*Status in case of certain events occurring on or after a Conversion Trigger Event*), all payments in respect of or arising from (including any damages for breach of any obligations under) the Securities shall be conditional upon the Issuer being solvent at the time for payment by the Issuer and no amount shall be payable by the Issuer in respect of or arising from (including any damages for breach of any obligations under) the Securities except to the extent that the Issuer could make such payment and still be solvent immediately thereafter. For these purposes, the Issuer will be solvent if (i) it is able to pay its debts owed under its Senior Obligations as they fall due and (ii) its Assets exceed its Liabilities (other than Liabilities which do not constitute Senior Obligations). Any payment of interest that would have been due but for the inability to comply with the Solvency Condition shall be cancelled pursuant to Condition 6.2 (*Mandatory Cancellation of Interest Payments*).

The Issuer may at its sole and absolute discretion cancel Interest Payments, in whole or in part, at any time. Cancelled Interest Payments shall not be due and shall not accumulate or be payable at any time thereafter and investors shall have no rights thereto

Interest on the Securities is due and payable on each Interest Payment Date subject to Condition 4.1 (*Solvency Condition*), Condition 6.2 (*Mandatory Cancellation of Interest Payments*) and Condition 7.7 (*Accrued Interest on Conversion*). In addition the Issuer may at its sole and absolute discretion at any time elect to cancel any Interest Payment, in whole or in part, which would otherwise be payable on any Interest Payment Date. At the time of publication of this Offering Circular, it is the intention of the Executive Board of the Issuer to consider the relative ranking of the Common Shares and any Tier 1 Own Funds or other equivalent regulatory capital under the Capital Adequacy Regulations in issue (including the Securities) in the capital structure whenever exercising its discretion as to whether or not

to declare dividends or pay interest. However, the Executive Board may depart from this approach at any time in its sole discretion.

Any Interest Payment (or relevant part thereof) which is cancelled shall not accumulate and shall not become due and payable at any time thereafter. In the event of such cancellation, holders of Securities will have no rights in respect of the Interest Payment (or relevant part thereof) which is cancelled. In addition, cancellation or non-payment of Interest in accordance with the Conditions shall not constitute a default or event of default under the Securities for any purpose and does not give holders of Securities any right to take any enforcement action under the Securities.

Any cancellation of Interest Payments or actual or perceived increase in the likelihood that Interest Payments are cancelled will likely have an adverse effect on the market price of the Securities. In addition, as a result of the possibility of cancellation of interest on the Securities, the market price of the Securities may be more volatile than the market prices of other debt securities on which interest accrues and which are not subject to such cancellation, and may be more sensitive generally to adverse changes in the Issuer's and Group's financial condition.

The Issuer is subject to capital adequacy requirements and breach of these requirements will cause interest payments under the Securities to be cancelled and, in other circumstances, interest payments under the Securities may be cancelled at the Issuer's election.

The Issuer, at group level, is subject to multiple regulatory frameworks that include capital adequacy requirements, including those pursuant to the Solvency II regime and pursuant to the EU Financial Conglomerates Directive. For the Issuer, the dominant capital adequacy requirements result from the Solvency II regime.

Solvency II became effective in EU member states as per 1 January 2016. Elements of the Solvency II framework (including the interpretation of requirements) may change going forward. This may affect the way the Issuer implements the Solvency II framework, including the Issuer's financial position under Solvency II. Pursuant to Solvency II, the Issuer is required to calculate a solvency ratio (own funds divided by the required solvency, the latter referred to as the “**Group SCR**”), for the Group at the level of the Issuer which should be at least equal to 100%. Under Solvency I, EU supervisors usually required insurance and reinsurance undertakings to maintain a substantial percentage of own funds above the statutory minimum requirements. Under Solvency II, the DNB leaves the decision as to whether to hold a buffer of own funds in excess of the Group SCR, or the SCR, to the Group and to the insurance and reinsurance undertakings in the Group. As the prudential supervisor, DNB will nonetheless monitor the Issuer's capital management policies. The Issuer applies its own capital management policies that determine its risk tolerances on the basis of self-imposed criteria. These policies may result in the Issuer, at its own election, but supervised by DNB, maintaining a buffer of own funds in addition to those required in accordance with Solvency II requirements. The Issuer's maximum risk tolerance for capital adequacy in the operating units is to maintain capitalization ratios above at least 100% SCR until after the occurrence of statistical '1-in-10 year' equivalent stress scenarios. However, the Issuer aspires to consistently maintain higher capital levels and targets local capitalisation levels in the operating units to support sustainable capital generation and stable dividends also until after the occurrence of statistical '1-in-10 year' equivalent stress scenarios. These scenarios do not only reflect narrow statistical events, but can also include a broader range of stress scenarios such as economic, operational, regulatory and political events. Pursuant to these self-imposed criteria, the Issuer currently aims to hold a buffer in excess of the 100% minimum Group SCR of 50 to 100%, in accordance with the Group's capital management policy. The calculation of the Group SCR in accordance with Solvency II is further described in the section “Regulation and supervision” and “Capital and liquidity management section” of the Issuer's Annual Report 2018.

In addition to the Solvency Capital Requirement (“**SCR**”), insurance and reinsurance companies should 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 company is not allowed to drop.

The Group SCR should be at least equal to 100%. This calculation includes, as part of the Group SCR, local capital requirements for insurance and reinsurance undertakings in non-EU countries that are deemed (provisionally) equivalent. Due to the relative proportion of these activities, the treatment of its US insurance activities is of particular relevance to the Issuer. The Issuer uses a combination of the two aggregation methods defined within the Solvency II framework to calculate the Group SCR, the accounting consolidation method (“**method 1**”) and the deduction and aggregation method (“**method 2**”). The Issuer applies the accounting consolidation method as the default method. However, for insurance entities domiciled outside the EEA for which provisional or full equivalence applies, such as the United States, the Issuer uses the deduction and aggregation method, with local regulatory requirements to bring these into the Group solvency position. US insurance and reinsurance entities are included in the Issuer's group solvency calculation in accordance with local U.S. risk-based capital (“**RBC**”) requirements. Until 30 June 2017, the Issuer used 250% of the local Company Action Level (“**CAL**”) RBC as the SCR equivalent. The Issuer received approval from DNB to apply, as of 1 July 2017, a revised methodology that includes lowering the conversion factor from 250% to 150% RBC, and reducing the contribution to own funds by 100% of the local CAL RBC requirement to reflect transferability restrictions. This methodology is subject to annual review and the change enhances comparability with European peers.

Undertakings that are part of an insurance group but active in other financial sectors, such as banks, are generally taken into account using capital requirements applicable to them specifically. These undertakings are included in the calculation of the capital requirements using method 2, as opposed to method 1. However, subject to certain conditions, entities in other financial sectors may be included in accordance with method 1. In particular, this may be the case where DNB as Group supervisor is satisfied as to the level of integrated management and internal control regarding these entities. Furthermore, DNB may require groups to deduct any participation from the own funds, eligible for the group solvency. Accordingly, the Issuer deducts its participation in Aegon Bank N.V. from the Group solvency.

When calculated in accordance with method 1, the Group SCR should be at least equal to the consolidated group solvency capital requirement as referred to in the second subparagraph of Article 230(2) of the Solvency II Directive (which is composed in particular of the sum of the minimum capital requirements of the EU insurance and reinsurance undertakings in the group). When calculated in accordance with a combination of method 1 and method 2, the minimum of the Group SCR is at least equal to the minimum consolidated group solvency capital requirement as referred to in Article 341 of the Solvency II Delegated Regulation. This absolute floor of the Group SCR is usually referred as the group minimum capital requirement or Group MCR. While the Group MCR generally represents a solvency requirement that is below the Group SCR, these ratios have different limitations concerning tiers of own funds eligibility.

Insurance and reinsurance companies are required to hold eligible own funds against the SCR and MCR. The capital is divided into three tiers in accordance with the quality of the own funds. The lower tiers of own funds (tier 2 and tier 3), as well as certain items (as described in Article 82(3) of the Solvency II Delegated Regulation) that form part of tier 1 own funds, may only represent a certain part of the eligible own funds. Furthermore, the SCR may be covered up to limited amounts with off-balance sheet own funds (‘ancillary own funds’ such as letters of credits or guarantees). The MCR should be covered entirely by on-balance sheet items (‘basic own funds’).

The classification or 'tiering' of the Issuer's capital is based on distinct tier limits for the part of the Group covered by the accounting consolidation method (where tier limits are based on the SCR of the consolidated part of the Group, i.e. the consolidated Group SCR) and for the part of the Group covered by the deduction and aggregation method. If a prudential regime of an equivalent or provisionally equivalent third country (such as the regulatory regimes in the United States) does not categorise own funds into tiers or defines tiers which are significantly different from those established under the Solvency II Directive, then, in line with the European Insurance and Occupational Pensions Authority's opinion of 27 January 2016 (EIOPA-BoS-16-008), the own funds brought in by the deduction and aggregation method are allocated to tiers according to the principles laid down in Articles 87 to 99 of the Solvency II Directive for each individual third-country insurance undertaking.

DNB may intervene if the Group SCR or Group MCR, as applicable, is no longer complied with. Moreover, DNB has supervisory powers to intervene in a situation even where the Group SCR and Group MCR are still met, but their level or the buffer levels set by the Issuer (pursuant to the Group's capital management policy), are potentially under threat. This may lead to the Issuer having to execute a recovery plan that should bring the own funds back in line with an acceptable buffer in excess of the Group SCR. Intervention by DNB may lead to the Issuer being required to cancel Interest Payments on the Securities.

The Issuer must cancel any Interest Payment on the Securities pursuant to Condition 6.2 (*Mandatory Cancellation of Interest Payments*) in the event that, *inter alia*, the Issuer cannot make the payment in compliance with the Solvency Condition, the Solvency Capital Requirement or the Minimum Capital Requirement, or where the Interest Payment would, together with any Additional Amounts payable with respect thereto, exceed the amount of the Issuer's Distributable Items as at the time for payment. Cancellation of Interest Payments on the Securities may also be required if the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a group basis, that in accordance with the Capital Adequacy Regulations at such time the Issuer must take specified action in relation to cancellation of payments of interest under the Securities.

Any Interest Payment which is cancelled shall not accumulate and shall not become due and payable at any time thereafter. In the event of such cancellation, holders of Securities will have no rights in respect of the Interest Payment which is cancelled. In addition, cancellation or non-payment of Interest in accordance with the Conditions shall not constitute a default or event of default on the part of the Issuer for any purpose.

Any cancellation of Interest Payments or actual or perceived increase in the likelihood that Interest Payments are cancelled will likely have an adverse effect on the market price of the Securities. In addition, as a result of the possibility of cancellation of interest on the Securities, the market price of the Securities may be more volatile than the market prices of other debt securities on which interest accrues and which are not subject to such cancellation, and may be more sensitive generally to adverse changes in the Issuer's and the Group's financial condition.

The interest rate on the Securities will be reset on each Reset Date, which may affect the market value of the Securities

The Securities will initially earn interest at a fixed rate of interest to, but excluding, the First Reset Date. From, and including, the First Reset Date and every Reset Date thereafter, the interest rate will be reset to the Reset Rate of Interest (as described in Condition 5 (*Interest*)). This reset rate may be less than the Initial Rate of Interest and/or the interest rate that applies immediately prior to such Reset Date, which could affect the amount of any interest payments under the Securities and so the market value of the Securities.

Changes or uncertainty in respect of EURIBOR may affect the value or payment of interest under the Securities

Various interest rate benchmarks (including the London Inter-Bank Offered Rate (“**LIBOR**”) and the Euro Interbank Offered Rate (“**EURIBOR**”)) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective, including Regulation (EU) No. 2016/1011 (the “**Benchmark Regulation**”) whilst others are still to be implemented.

Under the Benchmark Regulation, which became effective on 1 January 2018 in general, new requirements apply with respect to the provision of a wide range of benchmarks (including LIBOR and EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmark Regulation, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

Additionally, in March 2017, the European Money Markets Institute (“**EMMI**”) published a position paper referring to certain proposed reforms to EURIBOR, which reforms aim to clarify the EURIBOR specification, to develop a transaction-based methodology for EURIBOR and to align the relevant methodology with the Benchmark Regulation, the IOSCO Principles for Financial Benchmarks and other regulatory recommendations. The EMMI has since indicated that there has been a “change in market activity as a result of the current regulatory requirements and a negative interest rate environment” and “under the current market conditions it will not be feasible to evolve the current EURIBOR methodology to a fully transaction-based methodology following a seamless transition path”. It is the current intention of the EMMI to develop a hybrid methodology for EURIBOR.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

The Benchmark Regulation could have a material impact on the Securities, as the Reset Rate of Interest is based on the 5-year Mid-Swap Rate Quotations which includes a floating leg based on six-month EURIBOR and which is deemed to be a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmark Regulation. Pursuant to the fall-back provisions applicable to the Securities, an Independent Benchmark Adviser appointed by the Issuer in accordance with Condition 5.3(b) shall determine whether an Alternative Benchmark Rate is available which will determine the way in which the interest rate is set. If the Issuer is unable to appoint an Independent Benchmark Adviser, or the Independent Benchmark Adviser appointed by it fails to determine an Alternative Benchmark Rate, then the Issuer (in consultation with the Fiscal Agent or the Independent Benchmark Adviser where appointed but unable to determine whether a Benchmark Rate is available and acting in good faith and a commercially reasonable manner) may determine which rate (if any) has replaced the 5 Year Mid-Swap Rate in customary market usage for purposes of determining a 5-year mid-swap rate denominated in Euro, or, if it determines that there is no such rate, which rate (if any) is most comparable to the 5 Year Mid-Swap Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer. This may lead to a conflict between the interests of the Issuer and the holders of the Securities. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility or the level of the published rate or level of the “benchmark”.

Furthermore, if an Alternative Benchmark Rate is determined by the Independent Benchmark Adviser or the Issuer in consultation with the Independent Benchmark Adviser, the Conditions provide that the Issuer may vary the Conditions, as necessary to ensure the proper operation of such Alternative Benchmark Rate, without any requirement for consent or approval of the holders of the Securities.

If an Alternative Benchmark Rate is determined by the Independent Benchmark Adviser or the Issuer, the Conditions also provide that an adjustment factor may be determined by such Independent Benchmark Adviser or the Issuer, following consultation with the Independent Benchmark Adviser, to be applied to such Alternative Benchmark Rate. The aim of such adjustment factor is to make the Alternative Benchmark Rate comparable to a 5-year mid-swap rate based on the 6-months EURIBOR rate.

Furthermore, if the operation of the fallback provisions would cause the Securities to cease qualifying as Tier 1 Own Funds by reason of the level of the substitute or successor rate, the Margin will be adjusted to such extent as is necessary to ensure continued qualification as Tier 1 Own Funds, provided that the Margin shall never be negative. Finally, no substitute or successor rate will be adopted, nor will any other amendment to the terms of the Securities be made, if and to the extent that the same would cause the Securities to cease qualifying as Tier 1 Own Funds of the Issuer or as other equivalent regulatory capital of the Issuer under the Capital Adequacy Regulations.

Under the Benchmark Regulation, each of the Issuer and the Independent Benchmark Adviser may be considered an 'administrator'. This is the case if it is considered to be in control over the provision of the Alternative Benchmark Rate and any adjustments made thereto and/or otherwise in determining the Reset Rate of Interest in the context of a fallback scenario. This would mean that the Issuer and/or the Independent Benchmark Adviser has control over the (i) administration of the arrangements for determining such rate, (ii) collection, analysis or processes of input data for the purposes of determining such rate and (iii) determination of such rate through the application of a method of calculation or by an assessment of input data for that purpose. Furthermore, for the Independent Benchmark Adviser and/or the Issuer to be considered an 'administrator' under the Benchmark Regulation, the Alternative Benchmark Rate and any adjustments made thereto and/or otherwise in determining the Reset Rate of Interest in the context of a fall-back scenario may be a benchmark (index) within the meaning of the Benchmark Regulation. This may be the case if the Alternative Benchmark Rate and any adjustments made thereto and/or otherwise in determining the Reset Rate of Interest in the context of a fallback scenario, are published or made available to the public and regularly determined by the application of a method of calculation or by an assessment, and on the basis of certain values or surveys.

The Benchmark Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorized, recognized or endorsed, as applicable, in accordance with the Benchmark Regulation. There is a risk that administrators (which may include the Issuer and the Independent Benchmark Adviser in the circumstances as described above) of certain benchmarks will fail to obtain such registration, authorization, recognition or endorsement, preventing them from continuing to provide such benchmarks, or may otherwise choose to discontinue or no longer provide such benchmark. As a result, a fixed rate based on the rate which was last observed on the relevant Screen Page, may apply to the Securities until the time that registration, authorised registration or endorsement of the relevant administrator has been completed or as substitute or successor rate for EURIBOR is available.

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the following effect on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to such "benchmarks"; (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead to the disappearance of the "benchmark" without being replaced by a successor benchmark.

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

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

Redemption payments under the Securities must, under certain circumstances, be deferred

Notwithstanding that a notice of redemption has been delivered to holders of Securities, the Issuer must defer redemption of the Securities on any date set for redemption of the Securities pursuant to Condition 8 (*Redemption, Exchange, Variation and Purchase*) in the event that, *inter alia*, the Issuer cannot make the redemption payments in compliance with the Solvency Condition, the Solvency Capital Requirement is not met, the Minimum Capital Requirement is not met, the Regulatory Clearance Condition is not satisfied, an Insolvent Insurer Liquidation has occurred and is continuing, any other requirements or pre-conditions to which the Issuer is otherwise subject and which may be imposed by the Relevant Supervisory Authority have not been complied with following the proposed redemption or purchase (and will not continue to be complied with following the proposed redemption or purchase) or the Relevant Authority has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a group basis, that in accordance with the Capital Adequacy Regulations the Issuer must take specified action in relation to deferral of redemption of the Securities.

The deferral of redemption of the Securities does not constitute a default under the Securities for any purpose and does not give holders of Securities any right to take any enforcement action under the Securities. Where redemption of the Securities is deferred, the Securities will be redeemed by the Issuer on the earlier of (a) the date falling 10 Business Days after the date on which the Redemption and Purchase Conditions are met or otherwise waived pursuant to Condition 8.3 (*Waiver of Redemption and Purchase Condition relating to Solvency Capital Requirement by Relevant Supervisory Authority*), (b) the date falling 10 Business Days after the date on which the Relevant Supervisory Authority has agreed to the repayment, redemption purchase, as applicable, of the Securities or (c) the date on which a Winding Up occurs.

Any actual or anticipated deferral of redemption of the Securities will likely have an adverse effect on the market price of the Securities. In addition, as a result of the redemption deferral provision of the Securities, the market price of the Securities may be more volatile than the market prices of other debt securities without such deferral feature, including dated securities where redemption on the scheduled maturity date cannot be deferred, and the Securities may accordingly be more sensitive generally to adverse changes in the Issuer's financial condition.

Subject to certain conditions, the Issuer may redeem the Securities at the Issuer's option on certain dates

Subject to the Redemption and Purchase Conditions, the Issuer may redeem all (but not some only) of the Securities at their Base Redemption Price. Such redemption may occur (i) at any time from the First Call Date to and including the First Reset Date and on any Reset Date thereafter, (ii) in the event of certain changes in the tax treatment of the Securities or payments thereunder due to a Gross-Up Event or (iii) following the occurrence of (or if there will occur within six months) a Capital Disqualification Event or a Rating Methodology Event.

The Securities may therefore be subject to redemption if withholding taxes were to apply as a result of a change in Dutch tax law or regulations or in their application or interpretation by the Dutch tax authorities. See also “*Withholding tax*” and “*Announced tax initiatives of the Dutch government*” below.

The Capital Adequacy Regulations as at the date of this Offering Circular provide that the Relevant Supervisory Authority should not permit the redemption of Tier 1 Own Funds in the first five years of their issue other than in relation to unforeseen events such as an unforeseen change in the Capital Adequacy Regulations. In this regard, for example reference is made to the review by the European Commission of the Solvency II Delegated Regulation which was completed by the end of 2018. On 8 March 2019, the European Commission adopted the formal text for these amendments. The amendments are expected to enter into force after the scrutiny period of three months (subject to further extension) that is available to the European Parliament and the European Council has ended, the amendments have been approved accordingly by the European Parliament and Council and the final text has been published in the Official Journal of the European Union. Consequently the amendments have not yet entered into force. However, while the publication of the text of the amendment of the Solvency II Delegated Regulation by the European Commission, in particular paragraph 4, amending amongst others article 71 (11) of the Solvency II Delegated Regulation, demonstrates that there may be material changes or additions to the Capital Adequacy Regulations in the future, it is not possible to foresee what those changes might be and whether they would change the requirements applicable to the Securities. The Issuer may therefore have a redemption right following the Issue Date, including as a result of any amendments to the Capital Adequacy Regulations.

In addition to the 2018 review of the Solvency II Delegated Regulation, in 2020 a review of the Solvency II Directive will take place. This review will encompass the so-called "long-term guarantees" package, in particular the functioning and stability of European insurance markets, the extent to which insurance and reinsurance undertakings continue to operate as long-term investors and the availability and pricing of long-term insurance products. In this context, the European Commission has requested EIOPA to provide, by the end of 2019, information on insurance liabilities (including illiquid liabilities), asset management of insurers, information on long-term guarantee measures and information on the market valuation of insurance liabilities.

Furthermore, on 10 February 2019, the European Commission has requested EIOPA to provide, in the context of the Solvency II Directive review, by 30 June 2020, technical advice in the following areas:

- long-term guarantee measures and measures on equity risk;
- specific methods, assumptions and standard parameters used when calculating the Solvency Capital Requirement standard formula;
- rules and supervisory authorities' practices on the calculation of the Minimum Capital Requirement;
- the supervision of insurance and reinsurance undertakings in a group;
- other items related to the supervision of insurance and reinsurance undertakings.

It is not possible to foresee exactly what the changes resulting from the Solvency II review will be and consequently, what the impact would be on Aegon or on the rights of holders of the Securities, but depending on the nature of the changes, these could have a material impact on the calculation of capital requirements at group level and solo level, as well as the own fund requirements at both solo and group level, and on other elements of Solvency II solo and group supervision.

The Issuer shall only be entitled to redeem the Securities upon the occurrence of a Gross-Up Event, a Capital Disqualification Event or a Rating Methodology Event, if (amongst other conditions) it was reasonable for the Issuer to conclude, judged at the Issue Date, that such event was unlikely to occur. In that regard, prospective investors should note that, in relation to a Capital Disqualification Event, each Holder, by acquiring and holding any Security, will be deemed to have agreed and accepted that given the publication by the European Commission of a proposal for amendments to the Solvency II Delegated Regulation, following "EIOPA's second set of advice to the European Commission on specific items in the Solvency II Delegated Regulation" ("**EIOPA Second Set of Advice**"), it was reasonable for the Issuer to conclude, judged at the Issue Date, that a Capital Disqualification Event was unlikely to occur

as a result of the proposal of the European Commission, in particular those contained in paragraph 3, amending article 71 of the Solvency II Delegated Regulation.

The Issuer may decide to redeem the Securities when its cost of borrowing is lower than the interest rate on the Securities. During any period when the Issuer may elect or may be perceived to be more likely to elect to redeem the Securities, the market value of the Securities generally will not rise above the price at which they can be redeemed. This may also be true prior to any redemption period.

An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Securities being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Securities may be traded with accrued interest which may subsequently be subject to cancellation

The Securities may trade, and/or the prices for the Securities may appear, in trading systems with accrued interest. Purchasers of Securities in the secondary market may pay a price which reflects such accrued interest on purchase of the Securities.

If an Interest Payment is cancelled (in whole or in part) as described above, a purchaser of Securities in the secondary market will not be entitled to the accrued interest (or part thereof) reflected in the purchase price of the Securities.

Restricted remedy for non-payment when due

Any failure by the Issuer to pay interest when it is scheduled to be paid (or at all) or principal when due and payable in respect of the Securities shall not constitute an event of default and does not give holders of the Securities any right to demand repayment of the principal amount of the Securities. If a Winding Up occurs then any holder of a Security may declare each Security held by that holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at its principal amount and any accrued but unpaid interest from the previous Interest Payment Date up to (but excluding) the date of repayment. No other remedy against the Issuer shall be available to the holders of the Securities, whether for recovery of amounts owing in respect of the Securities or in respect of any breach by the Issuer of any of its obligations under or in respect of the Securities.

Securities may be subject to conversion into Common Shares

Following the occurrence of a Conversion Trigger Event, the Securities will be converted into Common Shares on the Conversion Date. Once the Conversion Shares have been issued and delivered to the Conversion Shares Depository, all of the Issuer's obligations under the Securities (including any payment obligation in respect of principal and/or accrued interest) shall be irrevocably discharged and satisfied. As a result, holders of Securities may lose all or part of the value of their investment in the Securities as, following Conversion, they will receive only (i) the Conversion Shares and/or (ii) (if the Issuer elects that a Conversion Shares Offer be made) the Conversion Shares Offer Consideration. Although the market value of any Conversion Shares received by holders of Securities may increase in value over time, the Conversion Price at the time the Conversion Shares are issued may not reflect the market value of the Common Shares.

Any such Conversion shall be irrevocable and holders of Securities shall not be entitled to any compensation in the event that the solvency position of the Issuer improves following Conversion (including if a Conversion Trigger Event has ceased to continue). Furthermore, the sole remedy available to holders of Securities in the event that the Issuer fails to deliver Conversion Shares to the Conversion Shares Depository on or after a Conversion Trigger Event will be to apply to the court to obtain an order requiring the Issuer to issue and deliver such Conversion Shares to the Conversion Shares Depository and

to participate in the liquidation proceeds of the Issuer as if the Conversion Shares had been issued. Once the Conversion Shares to be delivered on Conversion have been issued and delivered to the Conversion Shares Depository, the only claims holders of Securities will have will be against the Conversion Shares Depository for delivery of Conversion Shares or Conversion Shares Offer Consideration, as applicable.

Other regulatory capital instruments may not be subject to a conversion or write-down

The terms and conditions of other regulatory capital instruments already in issue or to be issued after the date of this Offering Circular by the Issuer or any of its subsidiaries may vary and accordingly such instruments may not convert into equity or be written-down at the same time, or to the same extent, as the Securities, or at all. Further, regulatory capital instruments issued by a member of the Group with terms that require such instruments to be converted into equity and/or written-down when a solvency or capital measure falls below a certain threshold, may not be converted or written-down in case of the occurrence of a Conversion Trigger Event if the relevant capital or solvency measure for triggering a conversion or write-down, as the case may be, under those instruments is calculated differently from the capital or solvency measures set out in the definition of Conversion Trigger Event. Also, regulatory capital instruments issued by any Subsidiary of the Issuer that are required pursuant to their terms to be converted into equity and/or fully or partially written down when the relevant capital or solvency measure falls below a certain threshold, may not be converted or written-down in case of the occurrence of a Conversion Trigger Event if the events triggering a conversion or write down, as the case may be, under the terms of those instruments are determined with respect to a group or sub-group of entities that is different from the Group. Therefore, the Securities may be subject to a greater degree of loss absorption than would otherwise have been the case had such other instruments been written down or converted at the same time as or prior to the Securities.

The occurrence of a Conversion Trigger Event may depend on factors outside of the Issuer's control

A Conversion Trigger Event shall occur if the Issuer determines at any time that (i) the amount of Own Fund Items eligible to cover the Solvency Capital Requirement is equal to or less than 75 per cent. of the Solvency Capital Requirement, (ii) the amount of Own Fund Items eligible to cover the Minimum Capital Requirement is equal to or less than the Minimum Capital Requirement, (iii) in case the Minimum Capital Requirement is an event, such event occurs or (iv) a breach of the Solvency Capital Requirement has occurred and such breach has not been remedied within a period of three months from the date on which the breach was first observed.

The occurrence of a Conversion Trigger Event and, therefore, Conversion is to some extent unpredictable and depends on a number of factors, some of which may be outside of the Issuer's control, including actions that the Issuer is required to take at the direction of the Relevant Supervisory Authority and regulatory changes. In this respect, see the risk factor "The Issuer is subject to capital adequacy requirements and breach of these requirements will cause interest payments under the Securities to be cancelled and, in other circumstances, interest payments under the Securities may be cancelled at the Issuer's election.", which describes, amongst others, the capital requirements to which the Issuer is subject and the calculation thereof.

Accordingly, the trading behaviour of the Securities may not necessarily follow the trading behaviour of other types of subordinated securities, including the Issuer's other subordinated debt securities. Any indication that the Issuer or the Group may be at risk of failing to meet its Solvency Capital Requirement or Minimum Capital Requirement may have an adverse effect on the market price and liquidity of the Securities. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with proceeds sufficient to provide a yield comparable to other types of subordinated securities, including the Issuer's other subordinated debt securities. In addition, the risk of Conversion could drive down the price of the Common Shares and have a material adverse effect on the market value of any Conversion Shares received upon Conversion.

The Issuer's interests may not be aligned with those of the holders of the Securities

The Issuer's satisfaction of the Solvency Condition and the availability of Issuer's Distributable Items as well as compliance with the Solvency Capital Requirement and Minimum Capital Requirement could be affected by a number of factors. They will also depend on the Group's decisions relating to its businesses and operations, as well as the management of its capital position. The Issuer will have no obligation to consider the specific interests of the holders in connection with the strategic decisions of the Group, including in respect of capital management. Holders of the Securities will not have any claim against the Issuer or any other member of the Group relating to decisions that affect the business and operations of the Group, including its capital position, regardless of whether they result in the occurrence of a Conversion Trigger Event. Such decisions could cause holders of the Securities to lose all or part of the value of their investment in the Securities.

Holders of Securities may receive Conversion Shares Offer Consideration instead of Common Shares upon Conversion

The Issuer may elect, in its sole and absolute discretion, that a Conversion Shares Offer be conducted by the Conversion Shares Depositary upon the occurrence of a Conversion Trigger Event. If the Issuer elects that a Conversion Shares Offer be conducted, the Conversion Shares Depositary (or an agent on its behalf) will make an offer of all or some of the Conversion Shares to all or some of the Shareholders or to any other third party. In this case holders of Securities may not ultimately receive any Conversion Shares or may receive fewer Conversion Shares than would have been the case if the Issuer had not elected that a Conversion Shares Offer be conducted.

Subject to the provisions of Condition 7 (*Conversion*), if all of the Conversion Shares are sold in the Conversion Shares Offer, holders of Securities will be entitled to receive, in respect of each Security and as determined by the Issuer, the pro rata share of the cash proceeds of the sale of the Conversion Shares attributable to such Security (less the *pro rata* share of any foreign exchange transaction costs, if any). If not all of the Conversion Shares are sold in the Conversion Shares Offer, holders of Securities shall be entitled to receive, in respect of each Security and as determined by the Issuer, (i) the *pro rata* share of the cash proceeds from the sale of the Conversion Shares attributable to such Security (less the *pro rata* share of any foreign exchange transaction costs, if any) together with (ii) the *pro rata* share of the Conversion Shares not sold pursuant to the Conversion Shares Offer attributable to such Security rounded down to the nearest whole number of Conversion Shares.

As set out in the Conditions, if any Conversion Shares are sold in the Conversion Shares Offer, the cash component of the Conversion Shares Offer Consideration shall never exceed the product of (a) the principal amount of such Security and (b) the proportion (expressed as a percentage) of the Conversion Shares sold in the Conversion Shares Offer, any excess of such cash component being forfeited and transferred to the Issuer. Furthermore, the Conversion Shares Offer Price may be lower than the Conversion Price.

No interest or other compensation is payable in respect of the period from the Conversion Date to the date of delivery of the Conversion Shares or on the cash proceeds from the sale of the Conversion Shares in the circumstances described above.

Notice of the results of any Conversion Shares Offer will be provided to holders of Securities only at the end of the Conversion Shares Offer Period. Accordingly, holders of Securities would not know the composition of the Conversion Shares Offer Consideration to which they may be entitled until the end of the Conversion Shares Offer Period.

Securities may be convertible into shares in an entity other than the Issuer where a Conversion Trigger Event occurs following the occurrence of a Qualifying Change of Control, or may be written-down to zero where a Conversion Trigger Event occurs following the occurrence of a Non-Qualifying Change of Control

If a Qualifying Change of Control occurs, the Securities will, following Conversion, become convertible into Relevant Shares of the Acquiror, as described in Condition 7.12 (*Change in Terms on Change of Control*). The Issuer can provide no assurances as to the nature of any such Acquiror or the risks associated with becoming an actual or potential shareholder therein. A Qualifying Change of Control may, therefore, have an adverse effect on the value of the Securities.

If a Non-Qualifying Change of Control occurs, then, until the date on which the Common Shares of the Issuer are no longer listed on a Relevant Stock Exchange for whatever reason, the Securities shall continue to be subject to Conversion upon the occurrence of a Conversion Trigger Event.

However, if a Non-Qualifying Change of Control occurs and the Common Shares of the Issuer are not listed on a Relevant Stock Exchange for whatever reason then the Securities shall not be subject to Conversion at any time notwithstanding that a Conversion Trigger Event may occur subsequently but, instead, upon the occurrence of a Conversion Trigger Event subsequent to a Non-Qualifying Change of Control the full principal amount outstanding of each Security will automatically be written down to zero, each Security will be cancelled and each Security will be de-listed from the Official List and will no longer be traded on the GEM. A Non-Qualifying Change of Control may therefore have an adverse effect on the value of the Securities.

Conversion Price is fixed at the time of issue of the Securities

Subject to certain limited anti-dilution provisions set out in Condition 7.8 (*Adjustment of Conversion Price*), the Conversion Price is fixed at the time of issue of the Securities. A Conversion Trigger Event is linked to a deterioration in the regulatory solvency position of the Issuer on a consolidated basis and, therefore, its occurrence will likely be accompanied and preceded by a deterioration in the market price of the Common Shares. Therefore, if a Conversion Trigger Event were to occur, investors would receive Conversion Shares at a time when the market price of the Common Shares is likely to be diminished. In addition, there may be a delay in a holder of a Security receiving its Conversion Shares following a Conversion Trigger Event, during which time the market price of the Common Shares may further decline. As a result, the realisable value of the Conversion Shares may be significantly below the Conversion Price.

Although the market value of such Conversion Shares may increase over time, they may never be equal to the principal amount of the Securities converted.

Holders of Securities must submit a Conversion Shares Settlement Notice to receive delivery of Conversion Shares or Conversion Shares Offer Consideration following Conversion

In order to obtain delivery of the relevant Conversion Shares or the Conversion Shares Offer Consideration, as applicable, following a Conversion of the Securities, the relevant holder of a Security must deliver, *inter alia*, a duly completed Conversion Shares Settlement Notice to the Conversion Shares Depository, which must contain specified information, including the holder of Security's account details with the securities depository system operated by Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. ("**Euroclear Netherlands**"). Accordingly, a holder of a Security (or its nominee, custodian or other representative) will have to have an account with Euroclear Netherlands in order to receive the Conversion Shares. Any holder of a Security delivering a Conversion Shares Settlement Notice after the Notice Cut-off Date will have to provide evidence of its entitlement to the relevant Conversion Shares or the relevant Conversion Shares Offer Consideration, as applicable, satisfactory to the Conversion Shares Depository in its sole and absolute discretion in order to receive delivery of such

Conversion Shares or such Conversion Shares Offer Consideration, as applicable. The Issuer shall have no liability to any holder of a Security for any loss resulting from such holder of a Security not receiving any Conversion Shares or the relevant Conversion Shares Offer Consideration, as applicable, or from any delay in the receipt thereof, in each case as a result of such holder of a Security failing to submit, *inter alia*, a valid Conversion Shares Settlement Notice, on a timely basis or at all.

The Securities will remain in existence following Conversion for a period with holders of Securities having limited rights

Following Conversion, the Securities will remain in existence until the applicable Settlement Date (or, if earlier, the Final Cancellation Date) for the sole purpose of evidencing each holder of a Security's right to receive Conversion Shares or Conversion Shares Offer Consideration, as applicable, from the Conversion Shares Depository. All obligations of the Issuer under the Securities shall be irrevocably released in consideration of the Issuer's issuance and delivery of the Conversion Shares to the Conversion Shares Depository on the Conversion Date, and under no circumstances shall such released obligations be reinstated. The Securities shall be cancelled on the applicable Settlement Date (or, if earlier, the Final Cancellation Date).

Receipt by the Conversion Shares Depository of the Conversion Shares shall irrevocably discharge and satisfy the Issuer's obligations in respect of the Securities and a holder of a Security shall, with effect on and from the Conversion Date, only have recourse to the Conversion Shares Depository for the delivery to it of the relevant Conversion Shares or, if the Issuer elects that a Conversion Shares Offer be made, of any Conversion Shares Offer Consideration to which such holder of a Security is entitled. The Issuer shall not have any liability for the performance of the obligations of the Conversion Shares Depository. There may, therefore, be a period following Conversion during which the holders of Securities remain in possession of their Securities but are owed no obligations thereunder by the Issuer.

There may be a delay in holders of Securities being able to transfer any Conversion Shares following Conversion

Although the holders of Securities will become beneficial owners of the Conversion Shares upon the issuance of such Conversion Shares to the Conversion Shares Depository and the Conversion Shares will be registered in the name of the Conversion Shares Depository (or the relevant recipient in accordance with the terms of the Securities), no holder of a Security will be able to sell or otherwise transfer any Conversion Shares until such time as they are finally delivered to such holder of a Security and registered in its name.

Holders of Securities are subject to all changes made with respect to Conversion Shares prior to the Conversion Date

Holders of Securities will be unable to exercise voting rights and other rights related to any Conversion Shares until such Conversion Shares have been issued and delivered to the Conversion Shares Depository following the Conversion Date and subsequently delivered to the holders of Securities. Prior to such delivery to the Conversion Shares Depository, holders of Securities will be subject to all changes made with respect to the Conversion Shares but will not be entitled to any of the rights of a shareholder.

Holders of Securities are particularly exposed to changes in the market price of Common Shares

Investors in convertible or exchangeable securities often seek to hedge their exposure in the underlying equity securities at the time of or following the acquisition of the convertible or exchangeable securities, often through short selling of the underlying equity securities or through similar transactions. Prospective investors in the Securities may similarly look to sell Common Shares during the term of the Securities, most likely if they perceive the risk of Conversion to be becoming more proximate. This could drive down the price of the Common Shares. Since the Securities will (subject to election by the Issuer that a

Conversion Shares Offer be made) mandatorily convert into Conversion Shares upon a Conversion Trigger Event, the price of the Common Shares may be more volatile if a Conversion Trigger Event appears likely to occur.

Holders of Securities may be subject to taxes following Conversion

The Issuer will not pay any taxes, capital, stamp, issue and registration or transfer taxes or duties arising upon Conversion or that may arise as a consequence of the issue and delivery of Conversion Shares to the Conversion Shares Depositary. Holders of Securities must pay any taxes and capital, stamp, issue and registration and transfer taxes or duties arising upon Conversion (other than on the transfer and delivery of any Conversion Shares to a purchaser in any Conversion Shares Offer which in each case shall be payable by the relevant purchaser of the Conversion Shares) and such holders of Securities must pay all, if any, such taxes or duties arising by reference to any disposal or deemed disposal of its Securities or interest therein.

Withholding tax

The absence of any Dutch withholding tax on payments in respect of the Securities, as referred to in the paragraph “Withholding Tax” in the Taxation paragraph of this Offering Circular, is based, amongst others, on a public statement made by the Dutch Minister of Finance and the Dutch State Secretary of Finance confirming that no Dutch dividend withholding tax is payable on the coupons of Tier 1 capital instruments. If the Dutch Minister of Finance and the Dutch State Secretary of Finance change their position in respect of interest payments on Tier 1 capital instruments and if the Interest Payments on the Securities would become subject to withholding tax imposed by the Netherlands, the Issuer may redeem the Securities no earlier than 4 April 2024 pursuant to Condition 8.7.

It is not certain whether the European Commission agrees with the reasoning of the Dutch government with respect to the absence of withholding tax. It is possible that the European Commission takes the position that not requiring the imposition of withholding tax on Tier 1 capital instruments is in contravention of EU state aid prohibitions.

Announced tax initiatives of the Dutch government

On 10 October 2017, the Dutch government released its coalition agreement (*regeerakkoord*) 2017-2021 (the “**Coalition Agreement**”). The Coalition Agreement does not include concrete legislative proposals, but instead sets out a large number of policy intentions of the Dutch government. On 23 February 2018, the Dutch State Secretary of Finance published a letter with an annex containing further details on the government’s policy intentions against tax avoidance and tax evasion. These intentions have been included in the Tax Plan 2019 (*Pakket Belastingplan 2019*) and related legislative proposals as published by the Dutch government on 18 September 2018. Two policy intentions in particular may become relevant in the context of the Dutch tax treatment of the Issuer, the Securities, and/or payments under the Securities.

One of the policy intentions is the introduction of a withholding tax on interest payments made to beneficiaries in low-tax jurisdictions, including non-cooperative jurisdictions, as of 2021. The Coalition Agreement and the annex to the letter suggest that this interest withholding tax would apply to certain payments made by a Dutch entity directly or indirectly to a group entity in a low tax or non-cooperative jurisdiction. This intention is reconfirmed in the letter of the Dutch State Secretary of Finance of 15 October 2018. However, it cannot be ruled out that, contrary to the information publicly available to date, it will have a wider application and, as such, it could potentially be applicable to Interest Payments on the Securities. If the envisaged withholding tax on interest payments is implemented in Dutch tax law, the Issuer will not be required to pay any Additional Amounts to holders of the Securities who are a (deemed) tax resident of, or are otherwise connected to, a low-tax jurisdiction or a non-cooperative

jurisdiction (as defined in any Dutch tax law implementing the policy intention presented in the Coalition Agreement) to compensate them for such withholding tax.

Another policy intention relates to the introduction of a thin-capitalization rule as of 2020 that would limit the deduction of interest for tax payers such as banks and insurance companies if highly leveraged. On 18 March 2019, the Dutch government published a consultation paper regarding this thin-capitalization rule including draft legislation for consultation purposes. The draft legislation limits the applicability of the thin-capitalization rule to qualifying banks and insurance companies, such as the Issuer. In short, the rule would apply to insurance companies with an equity of less than 8% of the balance sheet total (to be determined on the basis of a set of specific provisions which refer, amongst others, to Solvency II). If the rule is implemented in Dutch law in accordance with this draft legislation, the thin-capitalization rule may have an adverse impact on the amount of interest that the Issuer can deduct for Dutch corporate income tax purposes and thus on its financial position.

Changes to Solvency II and other Capital Adequacy Regulations may increase the risk of the occurrence of a Conversion Trigger Event, cancellation of Interest Payments, the deferral or redemption or purchase of the Securities by the Issuer or the occurrence of a Capital Disqualification Event

Solvency II requirements adopted in the Netherlands and requirements pursuant to other applicable Capital Adequacy Regulations, in particular any requirements to which the Issuer may be or become subject pursuant to its status as G-SII whether as a result of further changes thereof or changes to the way in which the Relevant Supervisory Authority interprets and applies these requirements to the (Dutch) insurance industry, may change. Any such changes, either individually and/or in aggregate, may lead to further unexpected requirements in relation to the calculation of the Group's Solvency Capital Requirement, and such changes may make the Group's regulatory capital requirements more onerous. Such changes that may occur in the application of Solvency II or other Capital Adequacy Regulations subsequent to the date of this Offering Circular and/or any subsequent changes to such rules and other variables may individually and/or in aggregate negatively affect the required characteristics of Tier 1 Own Funds or any other equivalent regulatory capital or the calculation of the Group's Solvency Capital Requirement or the Minimum Capital Requirement and thus increase the risk of cancellation of Interest Payments and/or deferral of the repayment of the principal amount of the Securities or, conversely, increase the risk of the occurrence of a Capital Disqualification Event and subsequent redemption of the Securities by the Issuer, or a Conversion Trigger Event occurring, which will lead to a Conversion, as a result of which a holder of a Security could lose all or part of the value of its investment in the Securities.

Holders of Securities may be obliged to make a take-over bid following a Conversion Trigger Event if they take delivery of Common Shares

Upon the occurrence of a Conversion Trigger Event, holders receiving Conversion Shares from the Conversion Shares Depository may have to make a take-over bid addressed to the shareholders of the Issuer pursuant to the rules of Dutch law implementing the Takeovers Directive (2004/25/EC) as amended or replaced from time to time if their aggregate holdings in the Issuer reach a specified percentage (currently 30 per cent.) of the voting rights in the Issuer as a result of Conversion of the Securities into Conversion Shares.

Holders of Securities may be subject to disclosure obligations and/or may need approval by the Relevant Supervisory Authority

As the Securities are mandatorily convertible into Conversion Shares following a Conversion Trigger Event, an investment in the Securities may result in holders of Securities, following such Conversion, having to comply with certain disclosure and/or approval requirements pursuant to laws and regulations applicable in the Netherlands. For example, pursuant to Dutch law, the Issuer (and the Netherlands Authority for the Financial Markets (the "AFM")) must be notified by a person when the percentage of

voting rights or shares in the Issuer (including, for this purpose, depositary receipts) controlled by that person (together with its concert parties), by virtue of direct or indirect holdings of shares aggregated with direct or indirect holdings of certain financial instruments, reaches or crosses 3 per cent. and certain specified percentage points thereafter.

Furthermore, as Conversion Shares may represent capital instruments in or voting securities of a parent undertaking of a number of regulated Group entities, under the laws of the Netherlands and other jurisdictions, ownership of the Securities themselves or Conversion Shares above certain levels may require the holder to obtain regulatory approval or subject the holder to additional regulation.

Non-compliance with such disclosure and/or approval requirements may lead to the incurrence by holders of Securities of substantial fines. Any potential investor should consult its financial, legal and other professional advisers as to the terms of the Securities and the potential consequences for such potential investor if a Conversion Trigger Event were to occur and such potential investor received Conversion Shares. In particular, each potential investor should satisfy themselves, both at the time of investing in the Securities and for so long as such investor remains a holder of a Security, that the maximum number of Conversion Shares that it could receive following Conversion, when aggregated with its other relevant holdings of Common Shares, would not give rise to any of the consequences described above, or any other legal or regulatory implications.

Holders of Securities have limited anti-dilution protection

On the Conversion Date, the number of Conversion Shares in respect of each Security to be delivered will be determined by dividing the principal amount outstanding of such Security by the Conversion Price prevailing on such date. Fractions of Conversion Shares will not be delivered to the Conversion Shares Depositary or to holders of Securities upon a Conversion and no cash payment will be made in lieu thereof.

In summary, the Conversion Price will be adjusted in accordance with Condition 7.8 (*Adjustment of Conversion Price*) in the event that there is (i) a consolidation, reclassification or subdivision of Common Shares, (ii) an issuance of Common Shares in certain circumstances by way of capitalisation of profits or reserves, (iii) an Extraordinary Dividend, (iv) a rights issue, (v) an issuance of securities other than Common Shares (or options, warrants or other rights to subscribe or purchase such shares), (vi) an issuance of Common Shares (other than Conversion Shares or other Common Shares issued in exchange for certain convertible instruments) wholly for cash or for no consideration, (vii) an issuance of securities (other than the Securities or any further issuance of the Securities), (viii) a modification of the rights of conversion, exchange, subscription purchase or acquisition attaching to any securities other than the Securities (or any further issuance of Securities), (ix) an issuance of securities in connection with which shareholders of the Issuer are entitled to participate in arrangements whereby such securities may be acquired by them or (x) a determination is made by the Issuer that the Conversion Price should be reduced for whatever reason (but only in the situations and to the extent provided in Condition 7 (*Conversion*)). There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Conversion Shares. Furthermore, the adjustment events that are included are less extensive than those often included in the terms of convertible securities. Accordingly, the occurrence of events in respect of which no adjustment to the Conversion Price is made may adversely affect the value of the Securities.

Disapplication of anti-dilution provisions

As described in risk factor “Holders of Securities have limited anti-dilution protection” above, the Conversion Price will only be adjusted in limited circumstances. However, notwithstanding the anti-dilution provisions, no adjustment will be made to the Conversion Price where, as confirmed by a certificate signed by two (2) directors of the Issuer, the same would cause the Securities to cease

qualifying as Tier 1 Own Funds of the Issuer or as other equivalent regulatory capital of the Issuer under the Capital Adequacy Regulations. Accordingly, there may be circumstances where the anti-dilution provisions will not be applied as a result of a sole determination by the Issuer and no adjustment will be made to the Conversion Price in such circumstances. The occurrence of such an event may adversely affect the value of the Securities.

Modification and waivers

The Conditions contain provisions for calling meetings of holders of Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of Securities including holders of Securities who did not attend and vote at the relevant meeting and holders of Securities who voted in a manner contrary to the majority. The Conditions also provide that, subject to the satisfaction of the Regulatory Clearance Condition, the Fiscal Agent and the Issuer may amend the Conditions, where such modification is of a formal, minor or technical nature or is made to correct a manifest error or for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein, without the consent of holders of Securities.

Variation of the terms of the Securities upon the occurrence of a Capital Disqualification Event or a Rating Methodology Event

Subject to, among other things, prior approval of the Relevant Supervisory Authority, if a Capital Disqualification Event or a Rating Methodology Event has occurred and is continuing, then the Issuer may, at its option and without any consent or approval of the holders of the Securities, elect at any time to vary the terms of the Securities so that the relevant event no longer exists after such modification. Whilst the modified Securities must have terms not materially less favourable to holders of the Securities than the terms of the Securities, there can be no assurance that, due to the particular circumstances of each holder, such modified Securities will be as favourable to each holder in all respects or that, if it were entitled to do so, a particular investor would make the same determination as the Issuer as to whether the terms of the modified Securities are not materially less favourable to holders than the terms of the Securities.

No limitation on issuing senior or pari passu securities

Subject to complying with applicable regulatory requirements in respect of the Issuer's leverage and capital ratios, there is no restriction on the amount of securities which the Issuer may issue, which securities rank senior to, or *pari passu*, the Securities. The issue of any such securities may reduce the amount recoverable by holders of Securities on a Winding Up of the Issuer and/or may increase the likelihood of a cancellation of interest payments under the Securities. Accordingly, in the Winding Up of the Issuer, after payment of the claims of senior ranking creditors, there may not be a sufficient amount to satisfy the amounts owing to holders of Securities.

The terms of the Securities contain very limited covenants

There is no negative pledge in respect of the Securities. The Issuer is generally permitted to sell or otherwise dispose of any or substantially all of its assets to another corporation or other entity under the terms of the Securities. If the Issuer decides to dispose of a large amount of its assets, investors in the Securities will not be entitled to declare an acceleration of the maturity of the Securities, and those assets will no longer be available to support the Securities.

In addition, the Securities do not require the Issuer to comply with financial ratios or otherwise limit its ability or that of its subsidiaries to incur additional debt, nor do they limit the Issuer's ability to use cash to make investments or acquisitions, or the ability of the Issuer or its subsidiaries to pay dividends, repurchase shares or otherwise distribute cash to shareholders. Such actions could potentially affect the Issuer's ability to service its debt obligations, including those of the Securities.

Payments made under some junior or equally ranking instruments (including dividends) will not trigger an obligation on the Issuer to make payments on the Securities

The Conditions do not contain any restriction on the ability of the Issuer to pay dividends on its Common Shares or common shares B. This could decrease the profits that are available for distribution and therefore increase the likelihood of a cancellation of payments of interest. Furthermore, payments on any other securities qualifying as Tier 1 Own Funds or other equivalent regulatory capital under the Capital Adequacy Regulations and on any Junior Instruments, will not oblige the Issuer to make payments on the Securities.

At the time of publication of this Offering Circular, it is the intention of the Executive Board of the Issuer to consider the relative ranking of the Common Shares and any Tier 1 Own Funds or other equivalent regulatory capital under the Capital Adequacy Regulations in issue (including the Securities) in the capital structure whenever exercising its discretion as to whether or not to declare dividends or pay interest. However, the Executive Board may depart from this approach at any time in its sole discretion.

Potential investors in the Securities should therefore realise that holders of instruments ranking junior to or *pari passu* with the Securities may receive payments from the Issuer in priority to the Securities, even though their claims rank junior to or *pari passu* with those of holder of Securities.

Change of law

The Conditions are based on Dutch law in effect as at the date of issue of the Securities. No assurance can be given as to the impact of any possible judicial decision or change to Dutch law or administrative practice after the date of issue of the Securities.

Many of the defined terms in the Conditions of the Securities depend on the final interpretation and implementation of Solvency II and the introduction of other Capital Adequacy Regulations. Further, the Relevant Supervisory Authority may interpret the Capital Adequacy Regulations, or exercise discretion accorded to the regulator under the Capital Adequacy Regulations in a different manner than expected. The manner in which many of the concepts and requirements under Capital Adequacy Regulations will be applied to the Group over time remains uncertain.

Future regulatory proposals may also impose further restrictions on the Issuer's ability to make payments on the Securities. These issues and other possible issues of interpretation make it difficult to determine whether a Capital Disqualification Event will occur, whether scheduled interest payments will be made on the Securities or whether a Conversion Trigger Event will occur. This uncertainty and the resulting complexity may adversely impact the trading price and the liquidity of the Securities.

Limitation on gross-up obligation under the Securities

The Issuer's obligation, if any, to pay Additional Amounts in respect of any withholding or deduction in respect of taxes under the terms of the Securities applies only to payments of interest due and paid under the Securities and not to payments of principal.

As such, the Issuer would not be required to pay any Additional Amounts under the terms of the Securities to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under the Securities, holders of Securities may receive less than the full amount due under the Securities, and the market value of the Securities may be adversely affected. In addition, any payment of Additional Amounts may be subject to optional or mandatory cancellation by the Issuer in accordance with Condition 6.1 (*Optional Cancellation of Interest Payments*) or Condition 6.2 (*Mandatory Cancellation of Interest Payments*).

Risks related to the Securities generally

The Securities are complex instruments that may not be a suitable investment for all investors

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Securities and be familiar with the behaviour of financial markets and with the regulatory framework applicable to the Issuer;
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (f) consult its legal advisers in relation to possible legal or fiscal risks that may be associated with any investment in the Securities.

The Securities are complex financial instruments. Sophisticated institutional investors generally purchase complex financial instruments as part of a wider financial structure rather than as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of the Securities and the impact this investment will have on the potential investor's overall investment portfolio.

Absence of public markets for the Securities

The Securities constitute a new issue of securities by the Issuer and have no established trading market. Although application has been made for the Securities to be admitted to the Official List and to trading on the GEM, there can be no assurance that an active public market for the Securities will develop. If the Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Even if an active trading market does develop, it may not be liquid and may not continue. Therefore, investors may not be able to sell their Securities easily or at all or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, have been structured to meet the investment requirements of limited categories of investors or include features such as Conversion. If the secondary market for the Securities is limited, there may be few buyers for the Securities and this may significantly reduce the market value of Securities.

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

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

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Securities. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Interest rate risks

The Securities bear interest at the Interest Rate determined periodically in respect of each Interest Payment Date. An investment in the Securities during that time involves the risk that subsequent changes in market interest rates may adversely affect the value of the Securities.

Credit ratings may not reflect all risks

The credit ratings assigned to the Securities may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Any rating assigned to the Issuer and/or the Securities may be withdrawn entirely by a credit rating agency, may be suspended or may be lowered, if, in that credit rating agency's judgment, circumstances relating to the basis of the rating so warrant. The credit rating agencies may also revise the ratings methodologies applicable to issuers within a particular industry or political or economic region. If credit rating agencies perceive there to be adverse changes in the factors affecting the Issuer's credit rating, including by virtue of change to applicable ratings methodologies, the credit rating agencies may downgrade, suspend or withdraw the ratings assigned to the Issuer and/or its securities, which in turn could reduce the liquidity or market value of the Securities.

Credit ratings do not imply that interest will be paid

A credit rating is not a statement as to the likelihood or otherwise of cancellation of interest on the Securities or of the likelihood of a Trigger Event occurring. Holders of the Securities may have a greater risk of cancellation of interest payments than persons holding other securities with similar credit ratings but no, or more limited, loss absorption provisions.

The market value of the Securities may be influenced by factors beyond the Issuer's control

Many factors, most of which are beyond the Issuer's control, will influence the market value of the Securities and the price, if any, at which securities dealers may be willing to purchase or sell the Securities in the secondary market. Such factors include any credit ratings assigned to the Issuer and the

Securities (and any subsequent downgrading thereof), the creditworthiness of the Issuer and in particular the Issuer and the Group's compliance with the Solvency Capital Requirement and the Minimum Capital Requirement, supply and demand for the Securities, the Interest Rate applicable to the Securities from time to time, the trading price of the Common Shares, exchange rates and macro-economic, political, regulatory or judicial events which affect the Issuer or the markets in which it operates.

Legal investment considerations may restrict certain investments

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

Investors must rely on the procedures of Euroclear and Clearstream, Luxembourg for transfer, payment and communication with the Issuer

The Securities will be represented by the Global Certificate upon issue. The Global Certificate will be registered in the name of a nominee for the Common Depository for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Securities. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Certificate. While the Securities are represented by the Global Certificate, investors will be able to trade their beneficial interests only through Euroclear or Clearstream, Luxembourg and will receive and provide any notices only through Euroclear or Clearstream, Luxembourg.

While the Securities are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Securities by making payments to or to the order of the registered holder as nominee for the Common Depository for Euroclear or Clearstream, Luxembourg for distribution to their accountholders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of Securities may not receive and may not be able to trade Securities in definitive form

It is possible that the Securities may be traded in amounts that are not integral multiples of EUR 200,000. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than EUR 200,000 in its account with the relevant clearing system in case Securities in definitive form are issued may not receive a Security in definitive form in respect of such holding (should Securities in definitive form be issued) and may need to purchase a principal amount of Securities such that its holding amounts to at least EUR 200,000. If Securities in definitive form are issued, holders should be aware that Securities in definitive form which have a denomination that is not an integral multiple of EUR 200,000 may be illiquid and difficult to trade.

Potential Conflicts of Interest

The Joint Lead Managers and their respective affiliates have engaged, and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with

the Issuer and its affiliates and in relation to securities issued by any entity of the Group. They have or may (a) engage in investment banking, trading or hedging activities including in activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (b) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (c) act as financial advisers to the Issuer or other companies of the Group. In the context of these transactions, some of the Joint Lead Managers have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with the Registration Document, including, for the avoidance of doubt, the items incorporated by reference therein, all of which have been previously published or are published simultaneously with this Offering Circular and have been filed with Euronext Dublin.

Such documents shall be incorporated in, and form part of, this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Copies of the Registration Document and any documents incorporated by reference therein can be obtained from the registered office of the Issuer at Aegonplein 50, 2591 TV The Hague, The Netherlands and on www.aegon.com (the investor section (Publication) and in the Media section Press releases) and are also available for viewing during normal business hours at the Issuer's registered office.

Requests to inspect these documents can be made, free of charge, by writing or telephoning Aegon at:

Aegon Investor Relations
e-mail: ir@aegon.com
P.O. Box 85
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TERMS AND CONDITIONS OF THE SECURITIES

The following is the text of the terms and conditions of the Securities (as defined below) that, save for the text in italics, shall be applicable to the Certificates (as defined below) in definitive form (if any) issued in exchange for the Global Certificate representing the Securities. The full text of these terms and conditions shall be endorsed on the Certificates relating to such Securities. Provisions in italics do not form part of the Conditions (as defined below).

The issue of the EUR 500,000,000 Perpetual Contingent Convertible Securities (the "**Securities**") of Aegon N.V. (the "**Issuer**") and the contingent issue of the Conversion Shares (as defined below) was authorised by a resolution of the Executive Board of the Issuer passed on 12 July 2018 and a resolution of the Supervisory Board of the Issuer passed on 15 August 2018.

A fiscal agency agreement dated 4 April 2019 (as modified and/or supplemented from time to time, the "**Agency Agreement**") has been entered into in relation to the Securities between the Issuer, Citibank, N.A., London Branch as fiscal agent and the paying agents named therein. The fiscal agent and the paying agents, the registrar, the transfer agent and the interest calculation agent for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent and the Registrar), the "**Registrar**", the "**Transfer Agent**" and the "**Interest Calculation Agent**". A conversion calculation agency agreement dated 4 April 2019 (as modified from time to time, the "**Conversion Calculation Agency Agreement**") has been entered into in relation to the Securities between the Issuer and Conv-Ex Advisors Limited as conversion calculation agent (the "**Conversion Calculation Agent**" which expression shall include any successor as conversion calculation agent). These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Agency Agreement, which includes the form of the Certificates referred to below.

Copies of the Agency Agreement and Conversion Calculation Agency Agreement are available for inspection during normal business hours by the holders of the Securities at the specified offices of the Paying Agents and the Conversion Calculation Agent, respectively.

The holders of the Securities are deemed to have notice of, and are bound by, each of the provisions of the Agency Agreement applicable to them.

The owners shown in the records of each of Euroclear Bank SA/NV and Clearstream Banking, S.A. of book-entry interests in Securities are deemed to have notice of, and are bound by, each of the provisions of the Agency Agreement applicable to them.

Capitalised terms and expressions used in these Conditions but not otherwise defined herein shall, unless the context requires otherwise, have the meanings given to them in the Agency Agreement.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Securities are issued in registered form in denominations of EUR 200,000 and integral multiples of EUR 1,000 in excess thereof up to (and including) EUR 399,000. A security certificate (each a "**Certificate**") will be issued to each holder of a Security in respect of its registered holding of Securities. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of holders of the Securities which the Issuer will procure to be kept by the Registrar (the "**Register**").

1.2 Title

Title to the Securities passes only by registration in the Register. The holder of any Security will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions, "**holder of a Security**" and (in relation to a Security) "**holder**" means the person in whose name a Security is registered in the Register.

2. TRANSFERS OF SECURITIES AND ISSUE OF CERTIFICATES

2.1 Transfers

A Security may be transferred by depositing the Certificate issued in respect of that Security, with the form of transfer on the back duly completed and signed, at the specified office of the Transfer Agent.

2.2 Delivery of new Certificates

Each new Certificate to be issued upon a transfer of Securities will, within five (5) Business Days of receipt by the Transfer Agent of the duly completed form of transfer endorsed on the original Certificate, be mailed by uninsured mail at the risk of the holder entitled to the Security to the address specified in the form of transfer.

Where some but not all of the Securities in respect of which a Certificate has been issued are to be transferred, a new Certificate in respect of the balance of Securities not so transferred will, within five (5) Business Days of receipt by the Transfer Agent of the original Certificate, be mailed by uninsured mail at the risk of the holder of a Security not so transferred to the address of such holder appearing on the Register or as specified in the form of transfer.

2.3 Formalities free of charge

Registration of transfer of any Securities will be effected without charge by or on behalf of the Issuer or the Transfer Agent but upon payment (or the giving of such indemnity as the Issuer or the Transfer Agent may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

2.4 Closed periods

No holder of a Security may require the transfer of a Security to be registered:

- (a) during the period of fifteen (15) days ending on the due date for any payment of principal or interest on that Security; or
- (b) at any time after the second Business Day following the giving of a Conversion Trigger Notice by the Issuer.

2.5 Regulations

All transfers of Securities and entries on the Register will be made subject to the detailed regulations concerning transfer of Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any holder of a Security who requests one.

3. STATUS OF THE SECURITIES

The Securities constitute unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the holders of the Securities are subordinated as described in Condition 4 (*Subordination*).

4. SUBORDINATION

4.1 Solvency Condition

Other than where Condition 4.2 (*Status in case of certain events occurring prior to a Conversion Trigger Event*) or Condition 4.3 (*Status in case of certain events occurring on or after a Conversion Trigger Event*) applies, all payments in respect of or arising from (including any damages for breach of any obligations under) the Securities shall be conditional upon the Issuer being solvent at the time for payment by the Issuer and no amount shall be due and payable by the Issuer in respect of or arising from (including any damages for breach of any obligations under) the Securities except to the extent that the Issuer could make such payment and still be solvent immediately thereafter (the "**Solvency Condition**").

For the purposes of this Condition 4.1, the Issuer will be "**solvent**" if:

- (a) it is able to pay its debts owed under its Senior Obligations as they fall due; and
- (b) its Assets exceed its Liabilities (other than Liabilities which do not constitute Senior Obligations).

If the Issuer is of the opinion that a payment is not to be made on the basis that the Solvency Condition is not satisfied, the Issuer shall promptly provide a certificate to such effect to the Fiscal Agent. Any such certificate signed by two (2) Directors shall, in the absence of manifest error, be treated and accepted by the Issuer, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

Any payment of interest (including any Additional Amounts) that would have been due but for the operation of this Condition 4.1 shall be cancelled pursuant to Condition 6.2 (*Mandatory Cancellation of Interest Payments*).

4.2 Status in case of certain events occurring prior to a Conversion Trigger Event

If, at any time prior to the date on which a Conversion Trigger Event occurs, any of the following events occur: bankruptcy, winding up or moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer, the payment obligations of the Issuer under the Securities shall rank in right of payment after the claims in respect of all Senior Obligations of the Issuer (and payment to holders of the Securities may only be made after all obligations of the Issuer in respect of such Senior Obligations have been satisfied), but, as the case may be, *pari passu* with claims in respect of Parity Obligations and in priority to claims in respect of any Junior Instruments.

4.3 Status in case of certain events occurring on or after a Conversion Trigger Event

If, at any time on or after the date on which a Conversion Trigger Event occurs, any of the following events occur: bankruptcy, winding up or moratorium (*faillissement, vereffening na ontbinding* or *surseance van betaling*) of the Issuer, but the relevant Common Shares to be issued and delivered to the Conversion Shares Depositary on Conversion in accordance with

Condition 7 (*Conversion*) have not been so issued and delivered, each holder of Securities shall have a claim (in lieu of any other payment by the Issuer) for the amount, if any, it would have been entitled to receive if the Conversion relating to such Conversion Trigger Event had occurred, and the relevant number of Conversion Shares to which such holder would have been entitled had been delivered to such holder, immediately prior to such event occurring, in accordance with Condition 7 (*Conversion*) (ignoring for these purposes the Issuer's right to make an election for a Conversion Shares Offer to be effected in accordance with Condition 7.5 (*Conversion Shares Offer*)), whether or not the conditions referred to in Condition 4.1 (*Solvency Condition*) are satisfied on the date upon which the same would otherwise be due and payable.

4.4 Set-off and counterclaim

By acceptance of the Securities, each holder of a Security will be deemed to have waived any right of set-off or counterclaim that such holder of a Security might otherwise have against the Issuer in respect of or arising under the Securities whether prior to or in a Winding Up. Notwithstanding the preceding sentence, if any of the rights and claims of any holder of a Security in respect of or arising under or in connection with the Securities are discharged by set-off, such holder of a Security will, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer or, if applicable, the liquidator (*curator* or *vereffenaar*) of the Issuer and, until such time as payment is made, will hold a sum equal to such amount for the Issuer or, if applicable, the liquidator in a Winding Up. Accordingly, any such discharge will be deemed not to have taken place.

5. INTEREST

5.1 Interest Rate

- (a) Subject to Condition 4.1 (*Solvency Condition*), Condition 6 (*Interest Cancellation*) and Condition 7 (*Conversion*), the Securities bear interest on their principal amount:
- (i) from (and including) the Issue Date up to (but excluding) the First Reset Date, at a fixed rate of 5.625 per cent. per annum (the "**Initial Rate of Interest**"); and
 - (ii) thereafter at a fixed rate of interest which will be reset on the First Reset Date and on each fifth anniversary of the First Reset Date thereafter (each such date, a "**Reset Date**") as the sum of the applicable 5 Year Mid-Swap Rate in relation to that Reset Period and the Margin, converted to a semi-annual rate in accordance with market convention (rounded to three decimal places with 0.0005 rounded upwards) (the "**Reset Rate of Interest**"),

each payable semi-annually in arrear on each Interest Payment Date (the "**Interest Rate**").

Interest in respect of the Securities shall be calculated per EUR 1,000 in principal amount outstanding of the Securities (the "**Calculation Amount**").

- (b) In respect of each Interest Period, the amount of interest payable per Calculation Amount shall be equal to the product of the Calculation Amount and the Interest Rate and the Day Count Fraction, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

In these Conditions, "**Day Count Fraction**" means, in respect of any relevant period, the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the product of (1) the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last) and (2) the number of Interest Periods normally ending in any year.

If during any Interest Period any Interest Payment Date or any redemption date falls on a day that is not a Business Day, the Issuer will make any required payment on the next succeeding Business Day, and no additional interest will accrue in respect of any payment made on such next succeeding Business Day.

5.2 Interest Accrual

Without prejudice to Condition 4.1 (*Solvency Condition*), Condition 6 (*Interest Cancellation*) and Condition 7 (*Conversion*), interest shall cease to accrue on each Security from (and including) the date of redemption thereof pursuant to Condition 8 (*Redemption, Exchange, Variation and Purchase*) unless payment is improperly withheld or refused, in which event interest shall continue to accrue (in each case, both before and after judgment) as provided in these Conditions.

5.3 Determination of the Reset Rate of Interest

- (a) The Reset Rate of Interest will be determined by the Interest Calculation Agent on the following basis and the Interest Calculation Agent shall promptly notify the Issuer and the Fiscal Agent thereof. As soon as practicable after 11:00 a.m. (Amsterdam time) on the second Business Day prior to the start of each Reset Period (the “**Reset Interest Rate Determination Date**”) the Interest Calculation Agent will obtain the 5 Year Mid-Swap Rate published on the Screen Page, as at 11.00 am (Amsterdam Time) on such Reset Interest Rate Determination Date. The Reset Rate of Interest in respect of such Reset Period (and each Interest Period falling therein) shall be the aggregate of the Margin and the rate which so appears as determined by the Interest Calculation Agent.
- (b) Notwithstanding the provisions above in this Condition 5, if a Benchmark Event occurs in relation to the 5 Year Mid-Swap Rate as a result of the 5 Year Mid-Swap Rate and/or the six-month EURIBOR rate (the “**Mid-Swap Floating Leg Benchmark Rate**”) ceasing to be calculated or administered, then the following provisions shall apply:
 - (i) the Issuer shall use reasonable endeavours to appoint an independent financial institution of international repute or an independent financial advisor with appropriate expertise (the “**Independent Benchmark Adviser**”) to determine an alternative rate (the “**Alternative Benchmark Rate**”) and an alternative screen page or source (the “**Alternative Screen Page**”) no later than three Business Days prior to the Reset Interest Rate Determination Date relating to the next succeeding Reset Period (the “**IA Determination Cut-off Date**”) for purposes of determining the 5-year Mid-Swap Rate for all future Reset Periods (subject to the subsequent operation of this Condition 5.3(b));
 - (ii) the Alternative Benchmark Rate shall be such rate as the Independent Benchmark Adviser determines has replaced the 5-year Mid-Swap Rate in customary market usage for purposes of determining a 5-year mid-swap rate denominated in Euro, or, if the Independent Benchmark Adviser determines that there is no such rate, such other rate as the Independent Benchmark Adviser determines is most comparable to the 5-year Mid-Swap Rate, and the Alternative Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;
 - (iii) if the Issuer is unable to appoint an Independent Benchmark Adviser, or the Independent Benchmark Adviser appointed by it fails to determine an

Alternative Benchmark Rate and Alternative Screen Page prior to the IA Determination Cut-off Date in accordance with Condition 5.3(b)(ii) above, then the Issuer (in consultation with the Fiscal Agent or the Independent Benchmark Adviser where appointed but unable to determine whether an Alternative Benchmark Rate is available and acting in good faith and a commercially reasonable manner) may determine which (if any) rate has replaced the 5 Year Mid-Swap Rate in customary market usage for purposes of determining a 5-year mid-swap rate denominated in Euro, or, if it determines that there is no such rate, which (if any) rate is most comparable to the 5 Year Mid-Swap Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer and the Alternative Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate; provided, however, that if this Condition 5.3(b)(iii) applies and the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Screen Page prior to the Reset Interest Rate Determination Date relating to the next succeeding Reset Period in accordance with this Condition 5.3(b)(iii), the 5 Year Mid-Swap Rate applicable to such Reset Period shall be equal to (i) in respect of the Reset Period commencing on the First Reset Date and, for as long as no Alternative Benchmark Rate and Alternative Screen Page has been determined in accordance with this Condition 5.3(b), each subsequent Reset Period, the mid-swap rate for euro swaps with a term of 5 years as determined on the pricing date of the Securities, being 0.006 per cent. per annum and (ii) in respect of any other Reset Period, the 5 Year Mid-Swap Rate in respect of the immediately preceding Reset Period;

- (iv) if an Alternative Benchmark Rate and Alternative Screen Page is determined in accordance with the preceding provisions, such Alternative Benchmark Rate and Alternative Screen Page shall be the reference rate (5 Year Mid Swap Rate) and the Screen Page in relation to the Securities for all future Reset Periods (subject to the subsequent operation of this Condition 5.3(b));
- (v) if the Independent Benchmark Adviser or the Issuer in consultation with the Independent Benchmark Adviser determines an Alternative Benchmark Rate in accordance with the above provisions, the Independent Benchmark Adviser or the Issuer in consultation with the Independent Benchmark Adviser (as the case may be), may also determine any necessary changes to the Alternative Benchmark Rate, the mid-swap floating leg benchmark rate, the day count fraction, the business day convention, the Business Days and/or the Reset Interest Rate Determination Date applicable to the Securities (including any necessary adjustment factor that is necessary to make the 5 Year Mid-Swap Rate comparable to a 5-year mid-swap rate based on the 6-months EURIBOR rate), and the method for determining the fallback rate in relation to the Securities, in order to follow market practice in relation to the Alternative Benchmark Rate, which changes shall be deemed to apply to the Securities for all future Reset Periods (subject to the subsequent operation of this Condition 5.3(b)); and
- (vi) the Issuer shall, promptly following the determination of any Alternative Benchmark Rate and Alternative Screen Page, give notice thereof and of any changes which are deemed to apply to the Securities pursuant to Condition 5.3(b)(v) above in accordance with Condition 13 (*Notices*) to the holders of the Securities, to the Fiscal Agent and the Interest Calculation Agent and to

each listing authority and/or stock exchange (or listing agent as the case may be) by which the Securities have then been admitted to listing and trading.

- (c) If the operation of the above provisions would cause the Securities to cease qualifying as Tier 1 Own Funds by reason of the level of the substitute or successor rate (as confirmed by a certificate signed by two (2) Directors), the Margin will be adjusted to such extent as is necessary (as confirmed by the same certificate signed by two (2) Directors) to ensure continued qualification as Tier 1 Own Funds, provided that the Margin shall never be negative.

Notwithstanding any other provision of this Condition 5.3, no substitute or successor rate will be adopted, nor will any other amendment to the terms of the Securities be made, if and to the extent that, as confirmed by a certificate signed by two (2) Directors, the same would cause the Securities to cease qualifying as Tier 1 Own Funds of the Issuer or as other equivalent regulatory capital of the Issuer under the Capital Adequacy Regulations.

Any certificate referred to above signed by two (2) Directors shall, in the absence of manifest error, be treated and accepted by the Issuer, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

5.4 Publication of the Reset Rate of Interest

Once the Fiscal Agent and/or the Issuer have been notified of an applicable Reset Rate of Interest by the Interest Calculation Agent in accordance with Condition 5.3 (*Determination of the Reset Rate of Interest*), the Issuer shall cause notice of such Reset Rate of Interest, and the amount of interest which will, subject to Condition 4.1 (*Solvency Condition*), Condition 6 (*Interest Cancellation*) and Condition 7 (*Conversion*), be payable per Calculation Amount on the Interest Payment Dates in respect of which such Reset Rate of Interest applies, to be given to the holders of the Securities in accordance with Condition 13 (*Notices*) as soon as reasonably practicable after the determination of such Reset Rate of Interest in accordance with Condition 5.3 (*Determination of the Reset Rate of Interest*) and in any event no later than the commencement of the relevant Reset Period.

5.5 Interest Calculation Agent

With effect from the First Reset Date, and for so long as any of the Securities remains outstanding, the Issuer shall appoint and maintain an Interest Calculation Agent. The Issuer may from time to time replace the Interest Calculation Agent with another leading financial institution in London or the European Union. If the Interest Calculation Agent is unable or unwilling to continue to act as the Interest Calculation Agent, the Issuer shall forthwith appoint another leading financial institution in London or the European Union to act as such in its place. The Interest Calculation Agent may not resign its duties or be removed without a successor having been appointed.

5.6 Determinations of Interest Calculation Agent and/or Issuer binding

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 by the Interest Calculation Agent or, as the case may be, the Issuer shall (in the absence of manifest error) be binding on the Issuer, the Interest Calculation Agent, the Paying Agents, the Conversion Calculation Agent and all holders of the Securities and (in the absence of wilful default and

gross negligence) no liability to the holders of the Securities or the Issuer shall attach to the Interest Calculation Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

6. INTEREST CANCELLATION

6.1 Optional Cancellation of Interest Payments

Interest (including any Additional Amounts) on the Securities is due and payable on each Interest Payment Date subject to the provisions of Condition 4.1 (*Solvency Condition*), Condition 6.2 (*Mandatory Cancellation of Interest Payments*) and Condition 7.7 (*Accrued Interest on Conversion*). In addition, the Issuer may at its sole and absolute discretion at any time elect to cancel any Interest Payment (or any part thereof) which would otherwise be due and payable on any Interest Payment Date.

If the Issuer does not make an Interest Payment (or part thereof) on the relevant Interest Payment Date, such non-payment shall evidence the non-payment and cancellation of such Interest Payment (or relevant part thereof) by reason of it not being due in accordance with Condition 4.1 (*Solvency Condition*), the cancellation of such Interest Payment in accordance with Condition 6.2 (*Mandatory Cancellation of Interest Payments*) or Condition 7.7 (*Accrued Interest on Conversion*) or, as appropriate, the Issuer's exercise of its discretion otherwise to cancel such Interest Payment (or relevant part thereof) in accordance with this Condition 6.1, and accordingly such interest shall not in any such case be due and payable.

6.2 Mandatory Cancellation of Interest Payments

To the extent required by the Capital Adequacy Regulations in order for the Securities to qualify as Tier 1 Own Funds or as equivalent regulatory capital of the Issuer on a group basis, as the case may be, from time to time and save as otherwise permitted pursuant to Condition 6.3 (*Waiver of Cancellation of Interest Payments by Relevant Supervisory Authority*), the Issuer shall cancel any Interest Payment (including any Additional Amounts) on the Securities in accordance with this Condition 6 if:

- (a) the Solvency Condition is not met at the time for payment of such Interest Payment, or would cease to be met immediately following, and as a result of making, such Interest Payment; or
- (b) the Issuer has determined that there is non-compliance with the Solvency Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Solvency Capital Requirement would occur immediately following, and as a result of making, such Interest Payment; or
- (c) the Issuer has determined that there is non-compliance with the Minimum Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Minimum Capital Requirement would occur immediately following, and as a result of making, such Interest Payment; or
- (d) the amount of such Interest Payment, when aggregated together with any Additional Amounts payable with respect thereto, interest payments or distributions which have been made or which are scheduled to be paid or made on the same payment date on all Tier 1 Own Funds (excluding any such payments which do not reduce the Issuer's Distributable Items and any payments already accounted for in determining the Issuer's Distributable Items) since the end of the latest financial year of the Issuer and prior to, or on, such Interest Payment Date, would exceed the amount of the Issuer's

Distributable Items as at the Interest Payment Date in respect of such Interest Payment;
or

- (e) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a group basis, that in accordance with the Capital Adequacy Regulations at such time the Issuer must take specified action in relation to cancellation of payments of interest under the Securities:

each of the events or circumstances described in Conditions 6.2(a) to 6.2(e) (*Mandatory Cancellation of Interest Payments*) (inclusive) above being a "**Mandatory Interest Cancellation Event**".

A certificate signed by two (2) Directors confirming that: (i) a Mandatory Interest Cancellation Event has occurred and is continuing, or would occur if payment of interest (including any Additional Amounts) on the Securities were to be made; or (ii) a Mandatory Interest Cancellation Event has ceased and is no longer continuing and/or payment of interest (including any Additional Amounts) on the Securities would not result in a Mandatory Interest Cancellation Event occurring, shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

6.3 Waiver of Cancellation of Interest Payments by Relevant Supervisory Authority

Notwithstanding Condition 6.2 (*Mandatory Cancellation of Interest Payments*), the Issuer shall not be required to cancel an Interest Payment where a Mandatory Interest Cancellation Event has occurred and is continuing, or would occur if payment of interest (including any Additional Amounts) on the Securities were to be made where:

- (a) the Mandatory Interest Cancellation Event is of the type described in Condition 6.2(b) (*Mandatory Cancellation of Interest Payments*) only; and
- (b) the Relevant Supervisory Authority has exceptionally waived the cancellation of the Interest Payment; and
- (c) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that payment of the Interest Payment would not further weaken the solvency position of the Group; and
- (d) the Minimum Capital Requirement will be complied with immediately following such Interest Payment, if made.

A certificate signed by two (2) Directors confirming that the conditions set out in this Condition 6.3 are met, shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

6.4 Effect of Cancellation of Interest Payments

Any Interest Payment (or relevant part thereof) which is cancelled in accordance with this Condition 6 or which is otherwise not due in accordance with Condition 4.1 (*Solvency Condition*) or Condition 7.7 (*Accrued Interest on Conversion*) shall not become due and shall not accumulate or be payable at any time thereafter, and holders of the Securities shall have no

rights in respect thereof and any such cancellation or non-payment shall not constitute a default or event of default on the part of the Issuer for any purpose.

6.5 Notice of Cancellation of Interest Payments

If practicable, the Issuer shall provide notice of any cancellation of any Interest Payment pursuant to Condition 6.1 (*Optional Cancellation of Interest Payments*) or Condition 6.2 (*Mandatory Cancellation of Interest Payments*) to holders of the Securities in accordance with Condition 13 (*Notices*), and to the Fiscal Agent in a certificate signed by two (2) Directors, at least five (5) Business Days prior to the relevant Interest Payment Date. However, any failure to provide such notice will not invalidate the cancellation of the relevant Interest Payment.

7. CONVERSION

7.1 Securities not convertible at the option of holders of the Securities

The Securities are not convertible at the option of holders of the Securities at any time.

7.2 Conversion upon Conversion Trigger Event

- (a) If a Conversion Trigger Event occurs, to the extent required by the Capital Adequacy Regulations in order for the Securities to qualify as Tier 1 Own Funds from time to time, the Issuer's obligations under each Security shall, subject to and as provided in this Condition 7 and without any further action required on the part of the Issuer, be irrevocably discharged and substituted for an undertaking on the part of the Issuer to issue and deliver Common Shares, credited as fully paid, in the manner and in the circumstances described below to the Conversion Shares Depository, to be held for the holders of the Securities as provided below (on terms permitting a Conversion Shares Offer in accordance with Condition 7.5 (*Conversion Shares Offer*)).
- (b) On the Share Delivery Date the Issuer shall issue and deliver to the Conversion Shares Depository a number of Common Shares in respect of each Security determined by dividing the full principal amount outstanding of such Security by the Conversion Price prevailing on the Share Delivery Date (subject to Condition 7.13 (*Fractions*)).
- (c) The "**Conversion Price**" per Common Share in respect of the Securities is EUR 2.994, subject to adjustment in the circumstances described in Condition 7.8 (*Adjustment of Conversion Price*).
- (d) Upon the issue and delivery of the Conversion Shares to the Conversion Shares Depository on the Share Delivery Date, the Issuer shall be deemed to have redeemed the Securities on the Conversion Date in an amount equal to their principal amount outstanding and the holders of the Securities shall be deemed irrevocably to have directed and authorised the Issuer to apply such sum on their behalf in paying up the Conversion Shares issued and delivered to the Conversion Shares Depository on the Share Delivery Date.
- (e) Once a Security has been converted into Common Shares, there is no provision for the reconversion of such Common Shares back into Securities.
- (f) Immediately upon the issue and delivery by the Issuer of the Conversion Shares to the Conversion Shares Depository in accordance with these Conditions, the Issuer's obligations under the Securities shall irrevocably be discharged in full and no holder of a Security will have any rights against the Issuer with respect to such obligations. Provided that the Issuer so issues and delivers the Conversion Shares, from (and including) the Share Delivery Date holders of the

Securities shall have recourse only to the Conversion Shares Depository for the delivery to them of such Conversion Shares or, subject to and as provided in Condition 7.5 (*Conversion Shares Offer*), the Conversion Shares Offer Consideration.

- (g) Subject to Condition 4.3 (*Status in case of certain events occurring on or after a Conversion Trigger Event*), if the Issuer fails to issue and deliver the Conversion Shares to the Conversion Shares Depository on the Share Delivery Date, a holder of a Security's only right under the Securities against the Issuer for any such failure will be to claim to have such Conversion Shares so issued and delivered.
- (h) The Common Shares issued following a Conversion shall be fully paid and non-assessable and shall in all respects rank *pari passu* with the fully paid Common Shares in issue on the Conversion Date, except in any such case for any right excluded by mandatory provisions of applicable law, and except that the Conversion Shares so issued shall not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the entitlement to which falls prior to the Conversion Date.

7.3 Notification of the occurrence of a Conversion Trigger Event

- (a) Whether a Conversion Trigger Event has occurred at any time shall be determined by the Issuer, and such determination shall be binding on the Fiscal Agent and the holders of the Securities. Following the occurrence of a Conversion Trigger Event, the Issuer shall promptly notify the Relevant Supervisory Authority and shall deliver to the Fiscal Agent a certificate signed by two (2) Directors confirming that a Conversion Trigger Event has occurred. The certificate shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.
- (b) Following the occurrence of a Conversion Trigger Event, but only after delivery to the Fiscal Agent of the certificate referred to in Condition 7.3(a) (*Notification of the occurrence of a Conversion Trigger Event*), the Issuer shall promptly (and, in any event, within such period as the Relevant Supervisory Authority may require) give notice thereof to the holders of the Securities (a "**Conversion Trigger Notice**") in accordance with Condition 13 (*Notices*), and to the Fiscal Agent in writing, stating:
 - (i) details of the Conversion Trigger Event;
 - (ii) the date on which the Conversion Trigger Event occurred (the "**Conversion Date**");
 - (iii) the Conversion Price prevailing on the Conversion Date (which shall remain subject to any subsequent adjustment pursuant to Condition 7.8 (*Adjustment of Conversion Price*) up to the Share Delivery Date);
 - (iv) the Share Delivery Date;
 - (v) the Notice Cut-off Date and the Final Cancellation Date;
 - (vi) details of the Conversion Shares Depository;
 - (vii) that the Issuer has the option, at its sole and absolute discretion, to elect that a Conversion Shares Offer be conducted and that the Issuer may issue a Conversion Shares Offer Notice in accordance with Condition 13 (*Notices*) within ten (10) Business Days following the Conversion Date notifying holders of the Securities of its

decision as to such election; and

- (viii) that the Securities shall remain in existence until the applicable Settlement Date (or, if earlier, the Final Cancellation Date) for the sole purpose of evidencing the relevant holder of a Security's right to receive Conversion Shares or Conversion Shares Offer Consideration, as applicable, from the Conversion Shares Depositary, and that (subject to Condition 2.4(b) (*Closed periods*)) the Securities may continue to be transferable until the applicable Settlement Date (or, if earlier, the Final Cancellation Date).
- (c) Failure by the Issuer to deliver a certificate to the Fiscal Agent or to give notice to holders of the Securities of the occurrence of a Conversion Trigger Event pursuant to this Condition 7.3 shall in no way invalidate or otherwise affect the automatic Conversion of the Securities pursuant to Condition 7.2 (*Conversion upon Conversion Trigger Event*).

7.4 Conversion Shares Depositary

- (a) The Issuer shall use all reasonable endeavours to appoint a Conversion Shares Depositary as soon as reasonably practicable following the occurrence of a Conversion Trigger Event.
- (b) If the Issuer is unable to appoint a Conversion Shares Depositary, it shall make such other arrangements for the issuance and delivery of the Conversion Shares as it shall consider reasonable in the circumstances, which may include issuing and delivering the Conversion Shares to another independent nominee (on terms permitting a Conversion Shares Offer in accordance with Condition 7.5 (*Conversion Shares Offer*)) for the holders of the Securities or to the holders of the Securities directly. The issuance and delivery of the Conversion Shares pursuant to such other arrangements shall irrevocably discharge and satisfy all of the Issuer's obligations under the Securities as though the relevant Conversion Shares had been issued and delivered to the Conversion Shares Depositary and, in which case, where the context so admits, references in these Conditions to the issue and delivery of Conversion Shares to the Conversion Shares Depositary shall be construed as though they were references to such other arrangements and apply *mutatis mutandis*.
- (c) The Conversion Shares shall (except where the Issuer has been unable to appoint a Conversion Shares Depositary as contemplated in Condition 7.4(b) (*Conversion Shares Depositary*)) initially be issued and delivered to the Conversion Shares Depositary, which (subject to the provisions of Condition 7.4(b) (*Conversion Shares Depositary*)) shall hold such Conversion Shares for the holders of the Securities. By virtue of its holding of any Security, each holder of a Security shall be deemed to have irrevocably directed the Issuer to issue and deliver such Conversion Shares to the Conversion Shares Depositary.
- (d) For so long as the Conversion Shares are held by the Conversion Shares Depositary, the holders of the Securities shall be entitled to direct the Conversion Shares Depositary to exercise on their behalf all rights of a common shareholder (including voting rights and rights to receive dividends) except that holders of the Securities shall not be able to sell or otherwise transfer such Conversion Shares unless and until such time as they have been delivered to holders of the Securities in accordance with Condition 7.6 (*Settlement Procedure*).
- (e) Following the issuance and delivery of the Conversion Shares to the Conversion Shares Depositary on the Share Delivery Date, the Securities shall remain in existence until the applicable Settlement Date (or, if earlier, the Final Cancellation Date) for the purpose only of evidencing the holders of the Securities' right as aforesaid to receive the Conversion Shares or the Conversion Shares Offer Consideration, as the case may be, to be delivered by the Conversion Shares Depositary.

7.5 Conversion Shares Offer

- (a) Not later than the tenth (10th) Business Day following the Conversion Date, the Issuer may, in its sole and absolute discretion, make an election that the Conversion Shares Depositary (or any agent(s) on its behalf) will make an offer, in the Issuer's sole and absolute discretion, of all or some of the Conversion Shares to be delivered on Conversion to, in the Issuer's sole and absolute discretion, all or some of the Shareholders at such time or to any other third party, such offer to be at a price not lower than the Conversion Shares Offer Price (the "**Conversion Shares Offer**") and gives notice of such election (a "**Conversion Shares Offer Notice**") to the holders of the Securities in accordance with Condition 13 (*Notices*) and to the Fiscal Agent in writing, stating whether or not it has elected that a Conversion Shares Offer be conducted.
- (b) The Issuer may, on behalf of the Conversion Shares Depositary, appoint one or more Conversion Shares Offer Agents to act as a placement or other agent to facilitate the Conversion Shares Offer. The Issuer may not purchase any Conversion Shares for its own account pursuant to a Conversion Shares Offer.
- (c) A Conversion Shares Offer Notice shall specify the period of time for which the Conversion Shares Offer will be open (the "**Conversion Shares Offer Period**"). The Conversion Shares Offer Period shall end no later than forty (40) Business Days after the giving of the Conversion Shares Offer Notice by the Issuer.
- (d) Upon expiry of the Conversion Shares Offer Period, the Conversion Shares Depositary will provide notice to the holders of the Securities in accordance with Condition 13 (*Notices*) and to the Fiscal Agent in writing, of the composition of the Conversion Shares Offer Consideration (and of the deductions to the cash component, if any, of the Conversion Shares Offer Consideration (as set out in the definition of Conversion Shares Offer Consideration)) per Calculation Amount. The Conversion Shares Offer Consideration shall be held by the Conversion Shares Depositary for the holders of the Securities. In accordance with Condition 7.6(g) (*Settlement Procedure*), the cash component of any Conversion Shares Offer Consideration shall be payable by the Conversion Shares Depositary to the holders of the Securities in euro irrespective of whether or not the Solvency Condition is satisfied. If any Conversion Shares are sold in the Conversion Shares Offer, the cash component of the Conversion Shares Offer Consideration shall never exceed the product of (a) the principal amount of such Security and (b) the proportion (expressed as a percentage) of the Conversion Shares sold in the Conversion Shares Offer, any excess of such cash component being forfeited and transferred to the Issuer. Furthermore, the Conversion Shares Offer Price may be lower than the Conversion Price.
- (e) The Issuer reserves the right, in its sole and absolute discretion, to elect that the Conversion Shares Depositary terminate the Conversion Shares Offer at any time during the Conversion Shares Offer Period. If the Issuer makes such election, it will provide at least three (3) Business Days' notice to the holders of the Securities in accordance with Condition 13 (*Notices*), and to the Fiscal Agent in writing, and the Conversion Shares Depositary may then, in its sole and absolute discretion, take steps to deliver to holders of the Securities the Conversion Shares and if the Conversion Shares Offer has been completed in part, pay to the holders of the Securities the cash component of any Conversion Shares Offer Consideration, at a time that is earlier than the time at which they would have otherwise received the Conversion Shares Offer Consideration had the Conversion Shares Offer been completed.
- (f) By virtue of its holding of any Security, each holder of a Security acknowledges and agrees that if the Issuer elects, in its sole and absolute discretion, that a Conversion Shares Offer be conducted by the Conversion Shares Depositary, such holder of a Security shall be deemed to

have: (i) irrevocably consented to any Conversion Shares Offer and, notwithstanding that such Conversion Shares are held by the Conversion Shares Depository for the holders of the Securities, to the Conversion Shares Depository using the Conversion Shares to settle any Conversion Shares Offer; (ii) irrevocably consented to the transfer of the interest such holder of a Security has in the Conversion Shares to one or more purchasers identified by the Conversion Shares Depository in connection with the Conversion Shares Offer; (iii) irrevocably agreed that the Issuer and the Conversion Shares Depository may take any and all actions necessary to conduct the Conversion Shares Offer in accordance with the terms of the Securities; and (iv) irrevocably agreed that neither the Issuer nor the Conversion Shares Depository shall, to the extent permitted by applicable law, incur any liability to the holders of the Securities in respect of the Conversion Shares Offer (except for the obligations of the Conversion Shares Depository in respect of the holders of the Securities' entitlement to, and the subsequent delivery of, any Conversion Shares Offer Consideration).

- (g) Any Conversion Shares Offer shall be made subject to applicable laws and regulations in effect at the relevant time and shall be conducted, if at all, only to the extent that the Issuer, in its sole and absolute discretion, determines that the Conversion Shares Offer is practicable. The purchasers of the Conversion Shares sold in any Conversion Shares Offer shall bear the costs and expenses of any Conversion Shares Offer (other than the taxes and foreign exchange transaction costs referred to in Condition 7.14 (*Taxes and Duties*)) and in the definition of Conversion Shares Offer Consideration), including the fees of the Conversion Shares Offer Agent, if any. Neither the occurrence of a Conversion Trigger Event nor, following the occurrence of a Conversion Trigger Event, the election (if any) by the Issuer to undertake a Conversion Shares Offer on the terms set out herein, shall preclude the Issuer from undertaking a rights issue at any time on such terms as the Issuer deems appropriate, at its sole discretion, including, for the avoidance of doubt, the offer of Common Shares at or below the Conversion Price.
- (h) The Fiscal Agent shall not be responsible for monitoring any Conversion Shares Offer, nor for monitoring or enforcing the obligations of the Conversion Shares Depository in respect thereof. Following Conversion and delivery of the Conversion Shares to the Conversion Shares Depository, holders of the Securities must look to the Conversion Shares Depository for any Conversion Shares or Conversion Shares Offer Consideration due to them at the relevant time.

7.6 Settlement Procedure

- (a) To obtain delivery from the Conversion Shares Depository of Conversion Shares or, as applicable, the relevant Conversion Shares Offer Consideration, holders of the Securities will be required to deliver a Conversion Shares Settlement Notice and the relevant Certificate representing the relevant Security to the Conversion Shares Depository (or an agent designated for the purpose in the Conversion Trigger Notice) on or before the Notice Cut-off Date.
- (b) If such Conversion Shares Settlement Notice or Certificate is delivered after the end of normal business hours at the specified office of the Conversion Shares Depository, such delivery shall be deemed for all purposes to have been made or given on the following Business Day.
- (c) It is expected that the Conversion Shares shall be delivered to holders of the Securities in uncertificated form through *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*, known as Euroclear Netherlands, unless the Conversion Shares are not a participating security in Euroclear Netherlands at the relevant time, in which case the Conversion Shares shall either be delivered through the relevant clearing system in which the Conversion Shares are a participating security or in certificated form. It is expected that where the Conversion Shares are to be delivered to holders of the Securities by the Conversion Shares Depository through

Euroclear Netherlands or such other clearing system in which such Conversion Shares are a participating security, they shall be delivered on the relevant Settlement Date to the account specified by the relevant holder of a Security in its Conversion Shares Settlement Notice, as described above. It is expected that where the Conversion Shares are to be delivered in certificated form, certificates shall be delivered by mail free of charge to each holder of a Security or as it may direct in its Conversion Shares Settlement Notice (in each case uninsured and at the risk of the relevant recipient) within 28 days following delivery of its Conversion Shares Settlement Notice), as described below.

- (d) If a holder of a Security fails to deliver a Conversion Shares Settlement Notice or Certificate on or before the Notice Cut-off Date, or the relevant Conversion Shares Settlement Notice is otherwise determined by the Conversion Shares Depository to be null and void, then the Conversion Shares Depository shall continue to hold the relevant Conversion Shares or the relevant Conversion Shares Offer Consideration, as the case may be, for that holder of a Security until a valid Conversion Shares Settlement Notice (and the Certificate representing the relevant Securities) is so delivered. If any such Conversion Shares or the relevant Conversion Shares Offer Consideration (as applicable) have not been claimed for 12 years after the Final Cancellation Date as aforesaid, the Issuer may, at any time after such time and in its sole and absolute discretion, instruct the Conversion Shares Depository (or an agent on its behalf) to sell for cash all or some of any such Conversion Shares or any Conversion Share component of any Conversion Shares Offer Consideration (as applicable) and any such cash proceeds from such sale(s) and any such cash component of any Conversion Shares Offer Consideration will, in each case, be forfeited and will be transferred to the Issuer unless the Issuer decides, in its sole and absolute discretion, otherwise and the Issuer will not be a trustee of any such cash and the Issuer shall have no liability to any holder of a Security for any loss resulting from such holder of a Security not receiving any Conversion Shares, the relevant Conversion Shares Offer Consideration or the cash proceeds from any such sale(s) as aforesaid (as applicable).
- (e) Any determination as to whether any Conversion Shares Settlement Notice has been properly completed and delivered together with the relevant Certificate(s) as provided in these Conditions, or whether any evidence of entitlement to Conversion Shares or Conversion Shares Offer Consideration, as applicable, is satisfactory, shall be made by the Conversion Shares Depository in its sole and absolute discretion and shall be conclusive and binding on the relevant holders of the Securities.
- (f) Subject as otherwise provided herein, the relevant Conversion Shares (or the Conversion Share component of any Conversion Shares Offer Consideration) will be delivered on the applicable Settlement Date by or on behalf of the Conversion Shares Depository in accordance with the instructions given in the relevant Conversion Shares Settlement Notice.
- (g) Any cash component of any Conversion Shares Offer Consideration shall be paid by the Conversion Shares Depository on the applicable Settlement Date by transfer to a euro account with a bank in Europe (as may be specified in the relevant Conversion Shares Settlement Notice) in accordance with the instructions contained in the relevant Conversion Shares Settlement Notice.
- (h) If not previously cancelled on the applicable Settlement Date, the Securities shall be cancelled in full on the Final Cancellation Date and any holder of a Security delivering a Conversion Shares Settlement Notice after the Notice Cut-off Date will have to provide evidence of its entitlement to the relevant Conversion Shares or the relevant Conversion Shares Offer Consideration, as applicable, satisfactory to the Conversion Shares Depository in its sole and absolute discretion in order to receive delivery of such Conversion Shares or such Conversion Shares Offer Consideration, as applicable. Neither the Issuer nor the Fiscal Agent shall have any

liability to any holder of a Security for any loss resulting from such holder of a Security not receiving any Conversion Shares or the relevant Conversion Shares Offer Consideration, as applicable, or from any delay in the receipt thereof, in each case as a result of such holder of a Security failing to submit a valid Conversion Shares Settlement Notice and the relevant Certificate, on a timely basis or at all.

7.7 Accrued Interest on Conversion

Any interest in respect of an Interest Payment Date which falls on or after the date of a Conversion Trigger Event having occurred as determined in accordance with Condition 7.3(a) shall, in accordance with Condition 6 (*Interest Cancellation*) and without any action required on the part of the Issuer or any other person, be immediately and automatically cancelled in full upon the occurrence of such Conversion Trigger Event and shall not be or become due and payable.

7.8 Adjustment of Conversion Price

Upon the happening of any of the events described below, the Issuer shall notify the Conversion Calculation Agent and the Conversion Price shall be adjusted by the Conversion Calculation Agent as follows:

- (a) If and whenever there shall be a consolidation, reclassification/redesignation or subdivision affecting the number of Common Shares, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such consolidation, reclassification/redesignation or subdivision by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Common Shares in issue immediately before such consolidation, reclassification/redesignation or subdivision, as the case may be; and
- B is the aggregate number of Common Shares in issue immediately after, and as a result of, such consolidation, reclassification/redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the date the consolidation, reclassification/redesignation or subdivision, as the case may be, takes effect.

- (b) If and whenever the Issuer shall issue any Common Shares credited as fully paid to Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) other than where any such issue of Common Shares is deemed to constitute a Cash Dividend pursuant to paragraph (a) of the definition of "Dividend", the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Common Shares in issue immediately before such issue; and
- B is the aggregate number of Common Shares in issue immediately after such issue.

Such adjustment shall become effective on the date (for the purpose of this Condition 7.8(b), the "**Effective Date**") which is the day of issue of such Common Shares.

- (c) (i) If and whenever the Issuer shall pay any Extraordinary Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Common Share on the Ex-Date; and
- B is the portion of the Fair Market Value of the aggregate Extraordinary Dividend attributable to one Common Share, with such portion being determined by dividing the Fair Market Value of the aggregate Extraordinary Dividend by the number of Common Shares entitled to receive the relevant Dividend.

Such adjustment shall become effective on the date (for the purpose of this Condition 7.8(c)(i), the "**Effective Date**") which is the later of the Ex-Date and the first date upon which the Fair Market Value of the relevant Extraordinary Dividend can be determined.

"**Ex Date**" means, for purposes of this Condition 7.8(c)(i), the first date on which the Common Shares are traded ex-the relevant Cash Dividend on the Relevant Stock Exchange.

- (ii) If and whenever the Issuer shall pay or make any Non-Cash Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Common Share on the Ex-Date; and
- B is the portion of the Fair Market Value of the aggregate Non-Cash

Dividend attributable to one Common Share, with such portion being determined by dividing the Fair Market Value of the aggregate Non-Cash Dividend by the number of Common Shares entitled to receive the relevant Non-Cash Dividend (or, in the case of a purchase, redemption or buy back of Common Shares or any depositary or other receipts or certificates representing Common Shares by or on behalf of the Issuer or any member of the Group, by the number of Common Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Common Shares, or any Common Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the date (for the purpose of this Condition 7.8(c)(ii), the "**Effective Date**") which is the later of the Ex-Date and the first date upon which the Fair Market Value of the relevant Non-Cash Dividend can be determined as provided herein.

"**Ex Date**" means, for purposes of this Condition 7.8(c)(ii), the first date on which the Common Shares are traded ex-the relevant Dividend on the Relevant Stock Exchange or, in the case of a purchase, redemption or buy back of Common Shares or any depositary or other receipts or certificates representing Common Shares by or on behalf of the Issuer or any member of the Group, the date on which such purchase, redemption or buy back is made (or, in any such case if later, the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein) or in the case of a Spin-Off, the first date on which the Common Shares are traded ex-the relevant Spin-Off on the Relevant Stock Exchange.

- (iii) For the purposes of this Condition 7.8(c) and the definition of "Extraordinary Dividend", the Fair Market Value of any Cash Dividend or Non-Cash Dividend shall (subject as provided in paragraph (i) of the definition of "**Dividend**" and in the definition of "**Fair Market Value**") be determined as at the Ex Date of such Cash Dividend, or, as the case may be, Non-Cash Dividend.
- (iv) In making any calculations for the purposes of this Condition 7.8(c), such adjustments (if any) shall be made as an Independent Adviser may determine in good faith to be appropriate to reflect (i) any consolidation or sub-division of any Common Shares or (ii) the issue of Common Shares by way of capitalisation of profits or reserves (or any like or similar event) or (iii) any increase in the number of Common Shares in issue in the Relevant Year in question.
- (d) If and whenever the Issuer shall issue Common Shares to Shareholders as a class by way of rights, or the Issuer or any member of the Group or (at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Common Shares, or any securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to acquire, any Common Shares (or shall grant any such rights in respect of existing securities so issued), in each case at a price per Common Share which is less

than 95 per cent. of the Current Market Price per Common Share on the Effective Date, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Common Shares in issue on the Effective Date;
- B is the number of Common Shares which the aggregate consideration (if any) receivable for the Common Shares issued by way of rights, or for the securities issued by way of rights, or for the options or warrants or other rights issued or granted by way of rights and for the total number of Common Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Common Share; and
- C is the number of Common Shares to be issued or, as the case may be, the maximum number of Common Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate,

provided that if on the Effective Date such number of Common Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 7.8(d), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 7.8(d), the first date on which the Common Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

- (e) If and whenever the Issuer or any member of the Group or (at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall issue any securities (other than Common Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire any Common Shares or securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Common Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any securities (other than Common Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire Common Shares or securities which by their term carry (directly or indirectly) rights of conversion into, or exchange or subscription for, rights to otherwise acquire, Common Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in

force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Common Share on the Effective Date; and
- B is the Fair Market Value on the Effective Date of the portion of the rights attributable to one Common Share.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 7.8(e), the first date on which the Common Shares are traded ex-the relevant securities or ex-rights, ex-option or ex-warrants on the Relevant Stock Exchange.

- (f) If and whenever the Issuer shall issue (otherwise than as mentioned in Condition 7.8(d) (*Adjustment of Conversion Price*)) wholly for cash or for no consideration any Common Shares (other than Common Shares issued on conversion of the Securities or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or right to otherwise acquire Common Shares) or if and whenever the Issuer or any member of the Group or (at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall issue or grant (otherwise than as mentioned in Condition 7.8(d) (*Adjustment of Conversion Price*)) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Common Shares (other than the Securities), in each case at a price per Common Share which is less than 95 per cent. of the Current Market Price per Common Share on the date of the first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Common Shares in issue immediately before the issue of such Common Shares or the grant of such options, warrants or rights;
- B is the number of Common Shares which the aggregate consideration (if any) receivable for the issue of such Common Shares or, as the case may be, for the Common Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Common Share; and
- C is the number of Common Shares to be issued pursuant to such issue of such Common Shares or, as the case may be, the maximum number of Common Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights,

provided that if on the Effective Date such number of Common Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 7.8(f), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 7.8(f), the date of issue of such Common Shares or, as the case may be, the grant of such options, warrants or rights.

- (g) If and whenever the Issuer or any member of the Group or (at the direction or request of or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity (otherwise than as mentioned in Condition 7.8(d), 7.8(e) or 7.8(f) (*Adjustment of Conversion Price*)) shall issue wholly for cash or for no consideration any securities (other than the Securities) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Common Shares (or shall grant any such rights in respect of existing securities so issued) or securities which by their terms might be reclassified/redesignated as Common Shares, and the consideration per Common Share receivable upon conversion, exchange, subscription, purchase, acquisition or redesignation is less than 95 per cent. of the Current Market Price per Common Share on the date of the first public announcement of the terms of issue of such securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Common Shares in issue immediately before such issue or grant (but where the relevant securities carry rights of conversion into or rights of exchange or subscription for, purchase of, or rights to otherwise acquire Common Shares which have been issued, purchased or acquired by the Issuer or any member of the Group (or at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) for the purposes of or in connection with such issue, less the number of such Common Shares so issued, purchased or acquired);
- B is the number of Common Shares which the aggregate consideration (if any) receivable for the Common Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such securities or, as the case may be, for the Common Shares to be issued or to arise from any such reclassification/redesignation would purchase at such Current Market Price per Common Share; and
- C is the maximum number of Common Shares to be issued or otherwise made available upon conversion or exchange of such securities or upon the exercise

of such right of subscription attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Common Shares which may be issued or arise from any such reclassification/redesignation;

provided that if on the Effective Date such number of Common Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such securities are reclassified/redesignated or at such other time as may be provided), then for the purposes of this Condition 7.8(g), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition or, as the case may be, reclassification/redesignation had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 7.8(g), the date of issue of such securities or, as the case may be, the grant of such rights.

- (h) If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any securities (other than the Securities) as are mentioned in Condition 7.8(g) (*Adjustment of Conversion Price*) (other than in accordance with the terms (including terms as to adjustment) applicable to such securities upon issue) so that following such modification the consideration per Common Share has been reduced and is less than 95 per cent. of the Current Market Price per Common Share on the date of the first public announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Common Shares in issue immediately before such modification (but where the relevant securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Common Shares which have been issued, purchased or acquired by the Issuer or any member of the Group (or at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) for the purposes of or in connection with such securities, less the number of such Common Shares so issued, purchased or acquired);
- B is the number of Common Shares which the aggregate consideration (if any) receivable for the Common Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the securities so modified would purchase at such Current Market Price per Common Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such securities; and

C is the maximum number of Common Shares which may be issued or otherwise made available upon conversion or exchange of such securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as an Independent Adviser in good faith shall consider appropriate for any previous adjustment under this Condition 7.8(h) or Condition 7.8(g) (*Adjustment of Conversion Price*);

provided that if on the Effective Date such number of Common Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided) then for the purposes of this Condition 7.8(h), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 7.8(h), the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such securities.

- (i) If and whenever the Issuer or any member of the Group or (at the direction or request of or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall offer any securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price is required to be adjusted under Condition 7.8(b), 7.8(c), 7.8(d), 7.8(e) or 7.8(f) (*Adjustment of Conversion Price*) (or would be required to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Common Share on the relevant dealing day under Condition 7.8(e) (*Adjustment of Conversion Price*))) the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Common Share on the Effective Date; and

B is the Fair Market Value on the Effective Date of the portion of the relevant offer attributable to one Common Share.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 7.8(i), the first date on which the Common Shares are traded ex-rights on the Relevant Stock Exchange.

- (j) If the Issuer determines that a reduction to the Conversion Price should be made for

whatever reason, the Conversion Price will be reduced (either generally or for a specified period as notified to holders of the Securities) in such manner and with effect from such date as the Issuer shall determine and notify to the holders of the Securities.

Notwithstanding the foregoing provisions (which all relate to the purpose of Condition 7.8):

- A where the events or circumstances giving rise to any adjustment pursuant to Condition 7.8(a) to and including this Condition 7.8(j) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result;
- B such modification shall be made to the operation of these Conditions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once, (ii) to ensure that the economic effect of a Dividend is not taken into account more than once and (iii) to reflect a redenomination of the issued Common Shares for the time being into a new currency;
- C for the avoidance of doubt, the issue of Common Shares following a Conversion shall not result in an adjustment to the Conversion Price;
- D no adjustment will be made to the Conversion Price where Common Shares or any other securities (including rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive office or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or trustees to be held for the benefit of any such person, in any such case pursuant to any share or option scheme; and
- E no adjustment will be made to the Conversion Price where, as confirmed by a certificate signed by two (2) Directors, the same would cause the Securities to cease qualifying as Tier 1 Own Funds of the Issuer or as other equivalent regulatory capital of the Issuer under the Capital Adequacy Regulations. Any such certificate shall, in the absence of manifest error, be treated and accepted by the Issuer, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent and the Conversion Agent shall be entitled to rely on such certificate without liability to any person.

7.9 Determination of Consideration Receivable

For the purpose of any calculation of the consideration receivable or price pursuant to Conditions 7.8(d) and 7.8(f) to and including 7.8(h) (*Adjustment of Conversion Price*), the following provisions shall apply:

- (a) the aggregate consideration receivable or price for Common Shares issued for cash shall be the amount of such cash;
- (b) (x) the aggregate consideration receivable or price for Common Shares to be issued or otherwise made available upon the conversion or exchange of any Relevant Securities

shall be deemed to be the consideration or price received or receivable for any such Relevant Securities and (y) the aggregate consideration receivable or price for Common Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Relevant Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Relevant Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as described in Condition 7.8(d), 7.8(f), 7.8(g) or 7.8(h) (*Adjustment of Conversion Price*) as at (A) in the case of Condition 7.8(d), the Effective Date or (B) in the case of Condition, 7.8(f), 7.8(g) or 7.8(h), the first date of public announcement referred to in these Conditions, plus in the case of each of (x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Relevant Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Common Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Relevant Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) (as the case may be) divided by the number of Common Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;

- (c) if the consideration or price determined pursuant to Condition 7.9(a) or 7.9(b) (*Determination of Consideration Receivable*) (or any component thereof) shall be expressed in a currency other than the Relevant Currency, it shall be converted into the Relevant Currency at the Prevailing Rate on the relevant Effective Date (in the case of Condition 7.9(a) (*Determination of Consideration Receivable*) or for the purpose of Condition 7.8(d)) or the relevant date of first public announcement (for the purpose of Conditions 7.8(f), 7.8(g) or 7.8(h));
- (d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Common Shares or Relevant Securities or options, warrants or rights, or otherwise in connection therewith; and
- (e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.

7.10 Decision of the Conversion Calculation Agent or an Independent Adviser

Adjustments to the Conversion Price shall be calculated by the Conversion Calculation Agent upon request from the Issuer and/or, to the extent so specified in the Conditions, in good faith by an Independent Adviser. Adjustments to the Conversion Price calculated by the Conversion Calculation Agent or, where applicable, an Independent Adviser and any other determinations made by the Conversion Calculation Agent or, where applicable, an Independent Adviser, or an opinion of an Independent Adviser, pursuant to these Conditions shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the holders of the Securities, the Interest Calculation Agent, the Paying Agents and (in the case of a

determination by an Independent Adviser) the Conversion Calculation Agent. Subject to the provisions of the Conversion Calculation Agency Agreement, the Conversion Calculation Agent may consult on any matter (including, but not limited to, any legal matter), any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Issuer, the holders of the Securities, the Interest Calculation Agent or the Paying Agents in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser's opinion.

The Conversion Calculation Agent shall act solely upon the request from, and exclusively as agent of, the Issuer. Neither the Conversion Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Securities (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust with, and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in accordance with the Conditions as against the holders of the Securities, the Interest Calculation Agent or the Paying Agents.

So long as any Securities remain outstanding, the Issuer will maintain a Conversion Calculation Agent, which may be the Issuer or another person appointed by the Issuer to serve in such capacity.

The Issuer may at any time, without prior notice to or consent from the Interest Calculation Agent, the Paying Agents or the holders of the Securities, replace the Conversion Calculation Agent with itself or an independent financial institution or an independent financial adviser with appropriate expertise.

If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, the Issuer may at its discretion appoint an Independent Adviser and, following consultation between the Issuer and such Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be final and binding (in the absence of manifest error) on the Issuer, the holders of the Securities and the Conversion Calculation Agent.

7.11 Rounding Down and Notice of Adjustment to the Conversion Price

On any adjustment of the Conversion Price pursuant to these Conditions, if the resultant Conversion Price is not an integral multiple of EUR 0.0001, it shall be rounded down to the nearest integral multiple of EUR 0.0001. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one (1) per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Issuer to holders of the Securities promptly after the determination thereof in accordance with Condition 13 (*Notices*), and to the Fiscal Agent in writing.

The Conversion Price shall not in any event be reduced to below the euro equivalent of the nominal value of a Common Share for the time being (as calculated by the Issuer on the date such adjustment becomes effective).

7.12 Change in Terms on Change of Control

- (a) If a Qualifying Change of Control occurs, the Securities shall, where the Share Delivery Date (if any) falls on or after the New Conversion Condition Effective Date, be converted on such Share Delivery Date into Relevant Shares of the Approved Entity (save as provided below in this Condition 7.12). The Conversion Price shall be the New Conversion Price, and the provisions of this Condition 7 shall apply *mutatis mutandis* to such conversion as though references herein to the Common Shares comprising the Conversion Shares were instead to the Relevant Shares of the Approved Entity. Such conversion shall be effected by the delivery by the Issuer of such number of Common Shares as is determined in accordance with Condition 7.2(b) (*Conversion upon Conversion Trigger Event*) to, or to the order of, the Approved Entity. Such delivery shall irrevocably discharge and satisfy all of the Issuer's obligations under the Securities (but shall be without prejudice to the rights of the holders of the Securities against the Approved Entity in connection with its undertaking to deliver Relevant Shares of the Approved Entity as provided in the definition of "New Conversion Condition" in Condition 7.12(g)). Such delivery shall be in consideration of the Approved Entity irrevocably undertaking, for the benefit of the holders of the Securities, to deliver the Relevant Shares of the Approved Entity to the Conversion Shares Depository as aforesaid. For the avoidance of doubt, in the case of a Qualifying Change of Control (only), the Issuer may subsequently elect that a Conversion Shares Offer be made by the Conversion Shares Depository in respect of the Relevant Shares of the Approved Entity.
- (b) The New Conversion Price shall be subject to adjustment in the circumstances provided in this Condition 7 (with such modifications and amendments as an Independent Adviser acting in good faith shall determine to be appropriate and as approved by the Relevant Supervisory Authority) and the Issuer shall give notice to holders of the Securities of the New Conversion Price and of any such modifications and amendments in accordance with Condition 13 (*Notices*), and to the Fiscal Agent in writing.
- (c) In the case of a Qualifying Change of Control:
- (i) the Issuer shall, on or prior to the New Conversion Condition Effective Date, enter into such agreements and arrangements, and such amendments and modifications to the Agency Agreement as may be necessary shall be made to ensure that, with effect from the New Conversion Condition Effective Date, the Securities shall (following the occurrence of a Conversion Trigger Event) be convertible into, or exchangeable for, Relevant Shares of the Approved Entity, *mutatis mutandis* in accordance with, and subject to, this Condition 7 (as may be so supplemented, amended or modified) at the New Conversion Price; and
 - (ii) the Issuer shall, where the Share Delivery Date falls on or after the New Conversion Condition Effective Date, procure the issue and/or delivery of the relevant number of Relevant Shares of the Approved Entity in the manner provided in this Condition 7, as may be supplemented, amended or modified as provided above.

The Fiscal Agent shall be obliged (at the expense of the Issuer) to concur with the Issuer in making any such amendments and modifications to the Agency Agreement, provided that the Fiscal Agent shall not be bound to do so if any such amendments, or modifications would, in the opinion of the Fiscal Agent, have the effect of: (i) exposing the Fiscal Agent to any liability against which it is not indemnified and/or secured and/or pre-funded to its satisfaction; (ii) changing, increasing or adding to the obligations or duties of the Fiscal Agent; or (iii) removing or amending any protection or indemnity afforded to, or any other provision in favour of, the Fiscal Agent under the Agency Agreement, the Conditions and/or the Securities.

- (d) If a Non-Qualifying Change of Control occurs and the Common Shares of the Issuer are not listed on a Relevant Stock Exchange for whatever reason, then, with effect from the occurrence of such Non-Qualifying Change of Control and unless the Share Delivery Date shall have occurred prior to such date, the Securities shall not be subject to Conversion at any time, notwithstanding that a Conversion Trigger Event may occur subsequently. Instead, upon the occurrence of a Conversion Trigger Event subsequent to a Non-Qualifying Change of Control, in such case the full principal amount outstanding of each Security will automatically be written down to zero, each Security will be cancelled, the holders of the Securities will be automatically deemed to have irrevocably waived their right to receive, and no longer have any rights against the Issuer with respect to, repayment of the aggregate principal amount of the Securities written down pursuant to this Condition and all accrued but unpaid interest and any other amounts payable on each Security will be cancelled, irrespective of whether such amounts have become due and payable prior to the occurrence of a Conversion Trigger Event. For the avoidance of doubt, once the full principal amount outstanding of each Security has been written down, it will not be restored under any circumstances, including where the relevant Conversion Trigger Event has ceased to continue. For the avoidance of doubt, nothing in this Condition 7.12(d) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Fiscal Agent or the rights and remedies of the Fiscal Agent in respect thereof, and the Fiscal Agent shall not be liable to any person for acting in accordance with Condition 7.12(d).
- (e) If a Non-Qualifying Change of Control occurs, then, until the date on which the Common Shares of the Issuer are no longer listed on a Relevant Stock Exchange for whatever reason, the Securities shall continue to be subject to Conversion upon the occurrence of a Conversion Trigger Event.
- (f) Within ten (10) days following the occurrence of a Change of Control, the Issuer shall give notice thereof to the holders of the Securities (a "**Change of Control Notice**") in accordance with Condition 13 (*Notices*).

The Change of Control Notice shall specify:

- (i) the identity of the Acquiror;
- (ii) whether the Change of Control is a Qualifying Change of Control or a Non-Qualifying Change of Control;
- (iii) in the case of a Qualifying Change of Control, the New Conversion Price; and
- (iv) in the case of a Non-Qualifying Change of Control and the Common Shares of the Issuer are not listed on a Relevant Stock Exchange for whatever reason, that, with effect from the occurrence of the Change of Control and unless a Conversion Trigger Event has occurred prior to the date of such Change of Control, outstanding Securities shall not be subject to Conversion at any time notwithstanding that a Conversion Trigger Event may occur subsequently. Instead, upon the occurrence of a subsequent Conversion Trigger Event (if any) the full principal amount of each Security will automatically and permanently be written down to zero, each Security will be cancelled, the holders of the Securities will be automatically deemed to have irrevocably waived their right to receive, and no longer have any rights against the Issuer with respect to, repayment of the aggregate principal amount of the Securities written down pursuant to this Condition 7.12 and all accrued but unpaid interest and any other amounts payable on each Security will be cancelled, irrespective of whether such amounts have become due and payable prior to the occurrence of a Conversion Trigger Event.

(g) As used in this Condition 7.12:

"**Acquiror**" means the person which, following a Change of Control, controls the Issuer.

"**Approved Entity**" means a body corporate which, on the occurrence of the Change of Control, has in issue Relevant Shares.

a "**Change of Control**" shall occur if any person or persons acting in concert acquires control of the Issuer, where "**control**" means: (a) the acquisition or holding of legal or beneficial ownership of more than 50 per cent. of the issued share capital of the Issuer; or (b) the right to appoint and/or remove all or the majority of the members of the Executive Board of the Issuer, whether obtained directly or indirectly and whether obtained by ownership of share capital, contract or otherwise.

"**Change of Control Notice**" shall have the meaning given to such term in Condition 7.12(e) (*Change in Terms on Change of Control*) above.

"**EEA Regulated Market**" means a market as defined by Article 4.1(21) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments.

The "**New Conversion Condition**" shall be satisfied if by not later than seven (7) days following the occurrence of a Change of Control where the Acquiror is an Approved Entity, the Issuer shall have entered into arrangements to its satisfaction with the Approved Entity pursuant to which the Approved Entity irrevocably undertakes, for the benefit of the holders of the Securities, to deliver the Relevant Shares of the Approved Entity to the Conversion Shares Depository upon a Conversion of the Securities, all as contemplated Condition 7.12(a) (*Change in Terms on Change of Control*).

"**New Conversion Condition Effective Date**" means the date with effect from which the New Conversion Condition shall have been satisfied.

"**New Conversion Price**" means the amount (rounded if necessary to the nearest whole multiple of EURO.0001, and any adjustment to the New Conversion Price pursuant to Condition 7.8 shall be made on the basis of the New Conversion Price so rounded) determined by the Conversion Calculation Agent in accordance with the following formula:

$$\text{NCP} = \text{ECP} \times \frac{\text{VWAPRS}}{\text{VMAPCS}}$$

where:

"**NCP**" is the New Conversion Price.

"**ECP**" is the Conversion Price in effect (provided that where any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, was/were carried forward (all as provided for in Condition 7.11), "ECP" shall be such Conversion Price had such adjustment not required to be made been made at the relevant time and/or, as the case may be, had the relevant rounding down not been made) on the Dealing Day immediately prior to the New Conversion Condition Effective Date.

"**VWAPRS**" means the average of the Volume Weighted Average Price of the Relevant Shares (translated, if necessary, into euro at the Prevailing Rate on the relevant Dealing Day) on each of the 10 Dealing Days ending on the Dealing Day prior to the date the Change of Control shall have occurred (and where references in the definition of "Volume Weighted Average Price" to "Common Shares" shall be construed as a

reference to the Relevant Shares and in the definition of "Dealing Day", references to the "Relevant Stock Exchange" shall be to the primary Regulated Market on which the Relevant Shares are then listed, admitted to trading or accepted for dealing).

"**VWAPCS**" is the average of the Volume Weighted Average Price of the Common Shares (translated, if necessary, into euro at the Prevailing Rate on the relevant Dealing Day) on each of the 10 Dealing Days ending on the Dealing Day prior to the date the Change of Control shall have occurred.

"**Non-Qualifying Change of Control**" means a Change of Control that is not a Qualifying Change of Control.

"**Qualifying Change of Control**" means a Change of Control where the New Conversion Condition is satisfied.

"**Regulated Market**" means an EEA Regulated Market or another regulated, regularly operating, recognised stock exchange or securities market in an OECD member state.

"**Relevant Shares**" means ordinary shares that constitute equity share capital or the equivalent (or depositary or other receipts representing the same) which are listed and admitted to trading on a Regulated Market.

7.13 Fractions

Fractions of Common Shares will not be delivered to the Conversion Shares Depositary on the Share Delivery Date nor to holders of the Securities on the applicable Settlement Date and no cash payment will be made in lieu thereof. However, if one or more Conversion Shares Settlement Notices and relevant Certificates are delivered to the Conversion Shares Depositary such that any Common Shares (or any Common Share component of any Conversion Shares Offer Consideration, as applicable) to be issued and delivered to a holder of a Security on Conversion are to be registered in the same name, the number of Common Shares to be issued and delivered in respect thereof shall be calculated by the Conversion Calculation Agent on the basis of the aggregate principal amount of such Securities to be converted.

7.14 Taxes and Duties

Neither the Issuer nor any member of the Group shall be liable for any taxes or capital, stamp, issue and registration or transfer taxes or duties arising on Conversion or that may arise or be paid as a consequence of the issue and delivery of Common Shares on Conversion. A holder of a Security must pay any taxes and capital, stamp, issue and registration and transfer taxes or duties arising on Conversion in connection with the issue and delivery of the Conversion Shares whether to the Conversion Shares Depositary on behalf of such holder of a Security or otherwise to or for the benefit of such holder of a Security in accordance with Condition 7.4(b) (*Conversion Shares Depositary*) and such holder of a Security must pay all, if any, taxes or duties arising by reference to any disposal or deemed disposal of such holder of a Security's Securities or interest therein. Any taxes and capital, stamp, issue and registration and transfer taxes or duties arising on delivery or transfer of Conversion Shares to a purchaser in any Conversion Shares Offer shall be payable by the relevant purchaser of those Common Shares.

7.15 Purchase or Redemption of Common Shares

The Issuer or any Subsidiary of the Issuer may, subject to Condition 7.5(b) (*Conversion Shares Offer*) and Condition 8.13 (*Purchases*) exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Common Shares) or any

depository or other receipts or certificates representing the same without the consent of holders of the Securities.

7.16 Covenants

Whilst any Security remains outstanding, the Issuer shall (if and to the extent permitted by the Capital Adequacy Regulations from time to time), save with the approval of an Extraordinary Resolution:

- (a) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, on the Share Delivery Date, Common Shares could not, under any applicable law then in effect, be legally issued as fully paid;
- (b) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) such Shareholders other than the offeror and/or any associates of the offeror) to acquire all or a majority of the issued Common Shares, or if a scheme is proposed with regard to such acquisition, give notice of such offer or scheme to the holders of the Securities at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the specified offices of the Paying Agents;
- (c) use commercially reasonable endeavours to ensure that the Common Shares delivered on the Share Delivery Date shall be admitted to listing and trading on the Relevant Stock Exchange;
- (d) notwithstanding the provisions of Condition 7.5 (*Conversion Shares Offer*), at all times maintain all corporate authorisations necessary to issue or allot, free from pre-emptive or other preferential rights, sufficient Common Shares to enable issue of Conversion Shares and delivery of the Conversion Shares on the Share Delivery Date;
- (e) use commercially reasonable endeavours to appoint a Conversion Shares Depository as soon as practicable following the occurrence of a Conversion Trigger Event; and
- (f) where these Conditions require or provide for a determination by an Independent Adviser, the Issuer shall use all reasonable endeavours promptly to appoint an Independent Adviser for such purpose.

8. REDEMPTION, EXCHANGE, VARIATION AND PURCHASE

8.1 No Redemption Date

The Securities are perpetual securities in respect of which there is no fixed maturity or redemption date and the Issuer shall only have the right to redeem or purchase the Securities in accordance with the following provisions of this Condition 8. The Securities are not redeemable at the option of the holders of the Securities at any time.

8.2 Conditions to Redemption and Purchase

To the extent required by the Capital Adequacy Regulations in order for the Securities to qualify as Tier 1 Own Funds or as equivalent regulatory capital of the Issuer on a group basis, as the case may be, from time to time, the Securities may not be redeemed pursuant to any of the optional redemption provisions referred to below under Condition 8.6 (*Redemption at the Option of the Issuer*), 8.7 (*Redemption following a Gross-Up Event*), 8.8 (*Redemption for*

Regulatory Reasons) or 8.10 (*Redemption for Rating Reasons*) or purchased by the Issuer or any of its affiliates pursuant to Condition 8.13 (*Purchases*), if:

- (a) the Solvency Condition is not met immediately prior to the redemption or purchase of the Securities (as applicable) or the redemption or purchase (as applicable) would cause the Solvency Condition to be breached; or
- (b) the Issuer has determined that the Solvency Capital Requirement is not met immediately prior to the redemption or purchase of the Securities (as applicable) or the redemption or purchase (as applicable) would cause the Solvency Capital Requirement to be breached; or
- (c) the Issuer has determined that the Minimum Capital Requirement is not met immediately prior to the redemption or purchase of the Securities (as applicable) or the redemption or purchase (as applicable) would cause the Minimum Capital Requirement to be breached; or
- (d) an Insolvent Insurer Liquidation has occurred and is continuing; or
- (e) the Regulatory Clearance Condition is not satisfied; or
- (f) any other requirements or pre-conditions to which the Issuer is otherwise subject and which may be imposed by the Relevant Supervisory Authority have not been complied with following the proposed redemption or purchase (and will continue to not be complied with following the proposed redemption or purchase); or
- (g) the Relevant Authority has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a group basis, that in accordance with the Capital Adequacy Regulations the Issuer must take specified action in relation to deferral of redemption or repurchase of the Securities,

and is each continuing on the relevant redemption date.

The conditions set out in paragraphs 8.2(a) to 8.2(g) (*Conditions to Redemption and Purchase*) (inclusive) above being the "**Redemption and Purchase Conditions**". For the avoidance of doubt, the Redemption and Purchase Conditions shall be met if none of the situations set out in paragraphs 8.2(a) to 8.2(g) (*Conditions to Redemption and Purchase*) (inclusive) occurs, and are not met if any of the situations under (a) through (g) above occurs.

In the case of an optional redemption referred to in Condition 8.6 (*Redemption at the Option of the Issuer*), 8.7 (*Redemption following a Gross-Up Event*), 8.8 (*Redemption for Regulatory Reasons*) or 8.10 (*Redemption for Rating Reasons*) or any purchase of the Securities referred to in Condition 8.13 (*Purchases*)

- (a) that is within five years from the Issue Date, such redemption or purchase shall be in exchange for or funded out of the proceeds of a new issuance of capital of at least the same quality as the Securities or, to the extent permitted under the Capital Adequacy Regulations, the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin as provided in the Capital Adequacy Regulations, in each case, if required pursuant to the Capital Adequacy Regulations;
- (b) that is after the fifth anniversary of the Issue Date and before the tenth anniversary of the Issue Date, or any other such period prescribed by the Capital Adequacy

Regulations, the Relevant Supervisory Authority shall have confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin as provided in the Capital Adequacy Regulations, unless such redemption or purchase shall be in exchange for or funded out of the proceeds of a new issuance of capital of at least the same quality as the Securities, if required pursuant to the Capital Adequacy Regulations.

If on the proposed date for redemption of the Securities the Redemption and Purchase Conditions are not met, redemption of the Securities shall instead be deferred and such redemption shall occur only in accordance with Condition 8.4 (*Deferral of Redemption or Purchase*).

8.3 Waiver of Redemption and Purchase Condition relating to Solvency Capital Requirement by Relevant Supervisory Authority

Notwithstanding Condition 8.2 (*Conditions to Redemption and Purchase*), the Issuer shall be entitled to redeem or purchase the Securities (to the extent permitted by the Capital Adequacy Regulations) where:

- (a) all Redemption and Purchase Conditions are met other than that described in Condition 8.2(b) (*Conditions to Redemption and Purchase*); and
- (b) the Relevant Supervisory Authority has exceptionally waived the deferral of planned redemption or, as the case may be, purchase of the Securities; and
- (c) all (but not some only) of the Securities redeemed or purchased at such time are exchanged for a new issue of Tier 1 Own Funds of the same or higher quality than the Securities; and
- (d) the Minimum Capital Requirement will be complied with immediately following such redemption or purchase, if made.

A certificate signed by two (2) Directors confirming that the conditions set out in this Condition 8.3 are met, shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

8.4 Deferral of Redemption or Purchase

The Issuer shall notify the holders of the Securities in accordance with Condition 13 (*Notices*) no later than five (5) Business Days prior to any date set for redemption, of the Securities if such redemption is to be deferred in accordance with this Condition 8.4, provided that if an event occurs less than five (5) Business Days prior to the date set for redemption that results in the Redemption and Purchase Conditions ceasing to be met, the Issuer shall notify the holders of the Securities in accordance with Condition 13 (*Notices*) as soon as reasonably practicable following the occurrence of such event.

If redemption or purchase, as applicable, of the Securities does not occur on the date specified in the notice of redemption, or purchase, as applicable, by the Issuer under Condition 8.6 (*Redemption at the Option of the Issuer*), 8.7 (*Redemption following a Gross-Up Event*), 8.8 (*Redemption for Regulatory Reasons*), 8.10 (*Redemption for Rating Reasons*) or 8.13 (*Purchases*) as a result of the operation of Condition 8.2 (*Conditions to Redemption and Purchase*), the Issuer shall redeem or purchase, as applicable, such Securities at their principal

amount outstanding together with any other accrued and unpaid interest (in each case, to the extent that such amounts have not previously been cancelled pursuant to these Conditions), upon the earlier of:

- (a) the date falling ten (10) Business Days after the date on which the Redemption and Purchase Conditions are met or redemption or purchase, as applicable, of the Securities is otherwise permitted pursuant to Condition 8.3 (*Waiver of Redemption and Purchase Condition relating to Solvency Capital Requirement by Relevant Supervisory Authority*); or
- (b) the date falling ten (10) Business Days after the date on which the Relevant Supervisory Authority has agreed to the repayment, redemption or purchase, as applicable, of the Securities; or
- (c) the date on which a Winding Up occurs.

The Issuer shall notify the Fiscal Agent, the Paying Agents, the Conversion Calculation Agent and the holders of the Securities in accordance with Condition 13 (*Notices*) no later than five (5) Business Days prior to any such date set for redemption or purchase, as applicable, pursuant to Condition 8.4(a), 8.4(b) or 8.4(c).

A certificate signed by two (2) Directors confirming that: (i) the Redemption and Purchase Conditions are not met or would not be met if the proposed redemption or repurchase were to be made; or (ii) the Redemption and Purchase Conditions are met, shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

8.5 Deferral of Redemption Not a Default

Notwithstanding any other provision in these Conditions, the deferral of redemption of the Securities in accordance with Condition 8.2 (*Conditions to Redemption and Purchase*) and Condition 8.4 (*Deferral of Redemption or Purchase*) will not constitute a default by the Issuer and will not give holders of the Securities any right to accelerate the Securities or take any enforcement action under the Securities.

8.6 Redemption at the Option of the Issuer

Provided that the Redemption and Purchase Conditions are met, the Issuer may, having given:

- (a) not less than fifteen (15) nor more than thirty (30) days' notice to the holders of the Securities in accordance with Condition 13 (*Notices*) (which notice shall (save as provided in Condition 8.15 (*Notices Final*) below) be irrevocable and shall specify the date fixed for redemption); and
- (b) notice to the Fiscal Agent not less than three (3) days before the giving of the notice referred to in (a),

redeem all (but not some only) of the Securities at their Base Redemption Price at any time from the First Call Date to and including the First Reset Date and on any Reset Date thereafter.

8.7 Redemption following a Gross-Up Event

Provided that the Redemption and Purchase Conditions are met, if at any time, by reason of a change in any law or regulation of a Relevant Jurisdiction, or any change in the official application or interpretation thereof, becoming effective on or after the Issue Date, the Issuer would, on the occasion of the next payment of interest due in respect of the Securities, not be able to make such payment without having to pay Additional Amounts, and this cannot be avoided by the Issuer taking reasonable measures available to it at the time (a "Gross-Up Event"), the Issuer may, subject to having given:

- (a) not less than fifteen (15) nor more than thirty (30) days' notice to the holders of the Securities in accordance with Condition 13 (*Notices*) (which notice shall (save as provided in Condition 8.15 (*Notices Final*) below) be irrevocable and shall specify the date fixed for redemption); and
- (b) notice to the Fiscal Agent not less than three (3) days before the giving of the notice referred to in (a),

redeem all (but not some only) of the Securities, at any time at their Base Redemption Price, provided that the due date for redemption shall be no earlier than 4 April 2024 and no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal or interest without withholding for taxes.

8.8 Redemption for Regulatory Reasons

Provided that the Redemption and Purchase Conditions are met, if at any time, the Issuer determines that a Capital Disqualification Event has occurred and is continuing or a Capital Disqualification Event will occur within the forthcoming period of six months, then the Issuer may, subject to having given:

- (a) not less than fifteen (15) nor more than thirty (30) days' notice to the holders of the Securities in accordance with Condition 13 (*Notices*) (which notice shall (save as provided in Condition 8.15 (*Notices Final*) below) be irrevocable and shall specify the date fixed for redemption); and
- (b) notice to the Fiscal Agent not less than three (3) days before the giving of the notice referred to in (a),

redeem all (but not some only) of the Securities, at any time at their Base Redemption Price.

8.9 Exchange or Variation for Regulatory Reasons

If at any time, the Issuer determines that a Capital Disqualification Event has occurred and is continuing or a Capital Disqualification Event will occur within the forthcoming period of six months, the Issuer may, instead of redeeming the Securities in the manner described above, on any Interest Payment Date, without the consent of the holders of the Securities, (i) exchange all but not some only of the Securities for new securities, or (ii) vary the terms of all but not some only of the Securities so that they remain or, as appropriate, become Qualifying Securities of the Issuer.

Any such exchange or variation requires prior approval of the Relevant Supervisory Authority. Such exchange or variation shall be binding on the holders of the Securities and shall be notified to them as soon as practicable thereafter.

8.10 Redemption for Rating Reasons

Provided that the Redemption and Purchase Conditions are met, if at any time, the Issuer determines that a Rating Methodology Event has occurred and is continuing or a Rating Methodology Event will occur within the forthcoming period of six months, then the Issuer may, subject to having given

- (a) not less than fifteen (15) nor more than thirty (30) days' notice to the holders of the Securities in accordance with Condition 13 (*Notices*) (which notice shall (save as provided in Condition 8.15 (*Notices Final*) below) be irrevocable and shall specify the date fixed for redemption); and
- (b) notice to the Fiscal Agent not less than three (3) days before the giving of the notice referred to in (a),

redeem all (but not some only) of the Securities, at any time at their Base Redemption Price.

8.11 Exchange or Variation for Rating Reasons

If at any time, the Issuer determines that a Rating Methodology Event has occurred and is continuing or a Rating Methodology Event will occur within the forthcoming period of six months, the Issuer may, instead of redeeming the Securities in the manner described above, on any Interest Payment Date, without the consent of holders of the Securities, (i) exchange all but not some only of the Securities for new securities, or (ii) vary the terms of all but not some only of the Securities, so that they remain or, as appropriate, become Rating Agency Compliant Securities.

Any such exchange or variation requires prior approval of the Relevant Supervisory Authority. Such exchange or variation shall be binding on the holders of the Securities and shall be notified to them as soon as practicable thereafter.

8.12 Preconditions to redemption, exchange, variation or purchase

- (a) Prior to the publication of any notice of redemption, variation, exchange or purchase pursuant to this Condition 8, the Issuer shall deliver to the Fiscal Agent a certificate signed by two (2) Directors stating that, as the case may be, the Issuer is entitled to redeem the Securities on the grounds that a Gross-Up Event, a Capital Disqualification Event or a Rating Methodology Event has occurred and is continuing as at the date of the certificate or, as the case may be (in the case of a Capital Disqualification Event or a Rating Methodology Event), will occur within a period of six (6) months and that it would have been reasonable for the Issuer to conclude, judged at the Issue Date, that such Gross-Up Event, Capital Disqualification Event or Rating Methodology Event was unlikely to occur.
- (b) The Issuer shall not be entitled to amend or otherwise vary the terms of the Securities or exchange the Securities unless:
 - (i) it has notified the Relevant Supervisory Authority in writing of its intention to do so; and
 - (ii) the Regulatory Clearance Condition has been satisfied in respect of such proposed amendment, variation or exchange.

A certificate signed by two (2) Directors confirming the requirements set out above are met, shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent,

the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

8.13 Purchases

The Issuer or any of its affiliated entities may at any time purchase Securities in any manner and at any price subject to the Redemption and Purchase Conditions being met prior to, and at the time of, such purchase. All Securities purchased by or on behalf of the Issuer or of its Subsidiary may be held, reissued, resold or, at the option of the Issuer and the relevant purchaser, surrendered for cancellation to the Fiscal Agent but whilst held may not be treated as outstanding for various purposes set out in the Agency Agreement.

8.14 Cancellations

All Securities redeemed or exchanged by the Issuer pursuant to this Condition 8, and all Securities purchased and surrendered for cancellation pursuant to Condition 8.13 (*Purchases*), will forthwith be cancelled. Any Securities so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged.

8.15 Notices Final

Subject and without prejudice to Conditions 4.1 (*Solvency Condition*), 8.2 (*Conditions to Redemption and Purchase*) and 8.4 (*Deferral of Redemption or Purchase*), any notice of redemption as is referred to in this Condition 8 shall, except in the circumstances described in the following paragraph of this Condition 8.15, be irrevocable and on the redemption date specified in such notice the Issuer shall be bound to redeem, or as the case may be, vary or exchange, the Securities in accordance with the terms of the relevant Condition.

For the avoidance of doubt, the Issuer may not give a notice of redemption of the Securities pursuant to this Condition 8 if a Conversion Trigger Notice has been given. If a Conversion Trigger Notice is given after a notice of redemption has been given by the Issuer but before the relevant redemption date, such notice of redemption shall automatically be revoked and be null and void and the relevant redemption shall not be made.

9. PAYMENTS

9.1 Payments in respect of Securities

Payment of principal and interest will be made by transfer to the registered account of the relevant holder of a Security. Payments of principal, and payments of interest due at the time of redemption of the Securities, will only be made against surrender of the relevant Certificate at the specified office of any of the Paying Agents. Save as provided in the previous sentence, interest due for payment on the Securities will be paid to the holder shown on the Register at the close of business on the date (the "**record date**") being the second day before the due date for the relevant payment.

For the purposes of this Condition 9.1, a holder of a Security's registered account means the euro account maintained by or on behalf of it with a bank that processes payments in euro, details of which appear on the Register at the close of business, in the case of principal, and of interest due at the time of redemption of the Securities, on the second Business Day before the due date for payment and, in the case of any other payment of interest, on the relevant record date.

9.2 Payments subject to applicable laws

Payments will be subject in all cases to (i) any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer or its respective Paying Agents agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements and (ii) any withholding or deduction imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the "**Code**"), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a "**FATCA Withholding Tax**"), and the Issuer will not be required to pay Additional Amounts on account of any FATCA Withholding Tax.

9.3 No commissions

No commissions or expenses shall be charged to the holders of the Securities in respect of any payments made in accordance with this Condition 9.

9.4 Payment on Business Days

Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day, for value the first following day which is a Business Day) will be initiated on the due date for payment or, in the case of a payment of principal, or of a payment of interest due at the time of redemption of the Securities, if later, on the Business Day on which the relevant Certificate is surrendered at the specified office of a Paying Agent.

Holders of the Securities will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day or if the holder of a Security is late in surrendering its Certificate (in circumstances where it is required to do so).

9.5 Partial payments

If the amount of principal or interest which is due on the Securities is not paid in full, the Registrar will annotate the Register with a record of the amount of principal or interest in fact paid.

9.6 Agents

The names of the Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents, provided that they will at all times maintain:

- (a) a Fiscal Agent;
- (b) a Paying Agent (which may be the Fiscal Agent) having a specified office in continental Europe; and
- (c) a Registrar.

In addition, the Issuer shall appoint and maintain an Interest Calculation Agent in accordance with the provisions of Condition 5.5 (*Interest Calculation Agent*). Notice of any termination or

appointment and of any changes in specified offices of any of the Agents will be given to the holders of the Securities promptly by the Issuer in accordance with Condition 13 (*Notices*).

10. TAXATION

10.1 Payment without withholding

All payments in respect of the Securities by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Relevant Jurisdiction unless the withholding or deduction of the Taxes is required by law. In any such event, the Issuer will pay such additional amounts in respect of Interest Payments but not in respect of any payments of principal ("**Additional Amounts**") as may be necessary in order that the net amounts received by the holders of the Securities after the withholding or deduction shall equal the respective amounts which would have been received in respect of the Securities in the absence of the withholding or deduction; except that no Additional Amounts shall be payable in relation to any payment in respect of any Security:

- (a) the holder of which is liable to the Taxes in respect of the Security by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Security; or
- (b) surrendered for payment (where surrender is required) in the Relevant Jurisdiction; or
- (c) in circumstances where such withholding or deduction would not be required if the holder or any person acting on his behalf had obtained and/or presented any form or certificate or had made a declaration of non-residence or similar claim for exemption to the relevant tax authority upon the making of which the holder would have been able to avoid such withholding or deduction; or
- (d) surrendered for payment (where surrender is required) more than thirty (30) days after the Relevant Date except to the extent that a holder would have been entitled to Additional Amounts on surrendering the same for payment on the last day of the period of thirty (30) days assuming (whether or not such is in fact the case) that day to have been a Business Day; or
- (e) by or on behalf of, a holder of a Security who is a related party of the Issuer and is liable for such taxes, duties, assessments or governmental charges due to being a tax resident of a low-tax jurisdiction or non-cooperative jurisdiction for purposes of any Dutch tax law codified pursuant to the policy intentions as described in item N151 on page 67 of the Coalition Agreement of the (then) proposed Dutch Government (*Regeerakkoord*) 2017 – 2021 published on 10 October 2017, as described in the annex of the letter of the Dutch State Secretary for Finance dated 23 February 2018 on pages 10 and 11.

In the absence of definitive guidance as to whether the withholding or deduction of such taxes, duties, assessments or governmental charges is required by any Dutch tax law referred to in (e) above, by reason of a certain tax jurisdiction having to be or being considered a low-tax jurisdiction, the term low-tax jurisdiction will be interpreted in the Issuer's reasonable judgment, in accordance with the relevant statutory language, any implementing regulations, any interpretative guidance provided by the relevant authorities and any other sources generally accepted, or relied on, for the purpose of interpreting Dutch tax law at the time of the actual payment.

Notwithstanding the above, any amounts to be paid by the Issuer on the Securities will be paid net of any deduction or withholding imposed or required pursuant to any FATCA Withholding Tax, and the Issuer will not be required to pay any Additional Amounts on account of any FATCA Withholding Tax.

10.2 Additional Amounts

Any reference in these Conditions to any amounts payable in respect of the Securities shall be deemed also to refer to any Additional Amounts which may be payable under this Condition.

11. PRESCRIPTION

Claims in respect of principal and interest will become prescribed unless the relevant Security is presented for payment within a period of five (5) years from the date on which the payment first becomes due.

12. LIMITED REMEDIES IN CASE OF NON-PAYMENT

Any failure by the Issuer to pay interest when it is scheduled to be paid (or at all) or principal when due and payable in respect of the Securities shall not constitute an event of default and does not give holders of the Securities any right to demand repayment of the principal amount of the Securities.

If a Winding Up occurs then any holder of a Security may, by written notice to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, declare the Security held by the holder of a Security to be forthwith due and payable whereupon the same shall become forthwith due and payable at its principal amount and any accrued but unpaid interest from the previous Interest Payment Date up to (but excluding) the date of repayment (to the extent payment of such interest amount is not cancelled pursuant to Condition 6 (*Interest Cancellation*)), without presentment, demand, protest or other notice of any kind provided that repayment of Securities will only be effected after the Issuer has obtained the prior written permission of the Relevant Supervisory Authority provided that at the relevant time such permission is required.

No remedy against the Issuer other than as referred to in this Condition 12 shall be available to the holders of the Securities, whether for recovery of amounts owing in respect of the Securities or in respect of any breach by the Issuer of any of its obligations under or in respect of the Securities.

13. NOTICES

All notices to the holders of the Securities will be valid if published in a leading newspaper having general circulation in the Netherlands (which is expected to be *Het Financieele Dagblad*) and, so long as the Securities are listed on a stock exchange, as required by the rules of such stock exchange or, if any such publication shall not be practicable, in an English language newspaper of general circulation in Europe (which is expected to be the *Financial Times*). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

14. REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer

may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15. MEETINGS OF HOLDERS OF THE SECURITIES, MODIFICATION, WAIVER AND AUTHORISATION

15.1 Meetings of holders of the Securities

Except as provided herein, any modification to, or waiver in respect of, these Conditions or any provisions of the Agency Agreement will be subject to satisfaction of the Regulatory Clearance Condition.

The Agency Agreement contains provisions for convening meetings of holders of the Securities to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions. Such a meeting may be convened by holders of the Securities holding not less than ten per cent. in principal amount of the Securities for the time being outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing more than 50 per cent. in principal amount of the Securities for the time being outstanding, or at any adjourned meeting one or more persons being or representing holders of the Securities whatever the principal amount of the Securities so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions (including, *inter alia*, (i) to modify the provisions for redemption of the Securities or the dates on which interest is payable in respect of the Securities, (ii) to reduce or cancel the principal amount of, or amounts payable on redemption of, the Securities (in each case other than as a result of the operation of Condition 7 (*Conversion*)), (iii) to reduce the Interest Rate in respect of the Securities or to vary the method of calculating the Interest Rate, or method of calculating the interest amount, on the Securities, (iv) to change the currency of payment of the Securities, (v) to modify the provisions concerning the quorum required at any meeting of holders of the Securities or the majority required to pass an Extraordinary Resolution, (vi) to modify the provisions regarding the status or recapitalisation (*Conversion*) features of the Securities referred to in Condition 4.2 (*Status in case of certain events occurring prior to a Conversion Trigger Event*) or 4.3 (*Status in case of certain events occurring on or after a Conversion Trigger Event*) or Condition 7 (*Conversion*) or (vii) to modify the provisions regarding the cancellation of interest referred to in Condition 6 (*Interest Cancellation*) or 7 (*Conversion*)) the quorum will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the Securities for the time being outstanding.

An Extraordinary Resolution passed at any meeting of holders of the Securities will be binding on all holders of the Securities, whether or not they are present at the meeting.

The Agency Agreement provides that (i) a resolution in writing signed by or on behalf of the holders of the Securities of not less than 90 per cent. in principal amount of the Securities outstanding or (ii) consents given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of the Securities of not less than 90 per cent. in nominal amount of the Securities outstanding, shall, in either case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of holders of the Securities duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more holders of the Securities.

15.2 Modification, waiver, authorisation and determination

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of, or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the holders of the Securities. The Agency Agreement and the Conditions may be amended by the Issuer and the Fiscal Agent, without the consent of any Paying Agent or holder of a Security, where such modification is of a formal, minor or technical nature or is made to correct a manifest error or for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer and the Fiscal Agent may agree and which does not adversely affect the interests of the holders of the Securities.

Any such modification, waiver or authorisation shall be binding on all holders of the Securities and, if the Fiscal Agent so requires, any such modification shall be notified to the holders of the Securities in accordance with Condition 13 (*Notices*) as soon as practicable thereafter.

Any amendment to these Conditions is subject to the Issuer obtaining the prior written permission of the Relevant Supervisory Authority therefor.

A certificate signed by two (2) Directors confirming the requirements set out above are met, shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent, the holders of the Securities and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent shall be entitled to rely on such certificate without liability to any person.

15.3 Notification to the holders of the Securities

Any modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the holders of the Securities and shall be notified by the Issuer to the holders of the Securities as soon as practicable thereafter in accordance with Condition 13 (*Notices*).

16. GOVERNING LAW AND JURISDICTION

The Agency Agreement, the Securities, and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of the Netherlands.

The Issuer submits for the exclusive benefit of the holders of the Securities to the jurisdiction of the courts of Amsterdam, The Netherlands judging in first instance, and its appellate courts.

17. DEFINED TERMS

In these Conditions:

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

- (a) the mid-swap rate for euro swaps with a term of 5 years which appears on the Screen Page, to be determined on or about 11:00 a.m. (Central European time) on such Reset Interest Rate Determination Date; or
- (b) if such rate does not appear on the Screen Page at such time on such Reset Interest Rate Determination Date, the Reset Reference Bank Rate on such Reset Interest Rate Determination Date;

"**Additional Amounts**" has the meaning given to such term in Condition 10.1 (*Payment without withholding*);

"**Agency Agreement**" has the meaning given to such term in the preamble to these Conditions;

"**Agents**" means the Fiscal Agent and the other Paying Agents appointed from time to time under the Agency Agreement;

"**Alternative Benchmark Rate**" has the meaning given in Condition 5.3(b)(i) (*Determination of the Reset Rate of Interest*);

"**Alternative Screen Page**" has the meaning given in Condition 5.3(b)(i) (*Determination of the Reset Rate of Interest*);

"**Assets**" means the non-consolidated gross assets of the Issuer as shown by the then latest published audited balance sheet of the Issuer but adjusted for contingencies and for subsequent events and to such extent as two members of the Executive Board of the Issuer, the auditors or, as the case may be, the liquidator may determine to be appropriate;

"**Base Redemption Price**" means, in respect of any date fixed for redemption of the Securities, the aggregate principal amount outstanding of the Securities together with (to the extent that such interest has not been cancelled in accordance with the Conditions) any accrued but unpaid interest to (but excluding) such date fixed for redemption.

"**Benchmark Event**" means:

- (A) the 5 Year Mid-Swap Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (B) a public statement by the administrator of the 5 Year Mid-Swap Rate and/or Mid-Swap Floating Leg Benchmark Rate that it will, by a specified date within the following six months, cease publishing the 5 Year Mid-Swap Rate and/or Mid-Swap Floating Leg Benchmark Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the 5 Year Mid-Swap Rate and/or Mid-Swap Floating Leg Benchmark Rate); or
- (C) a public statement by the supervisor of the administrator of the 5 Year Mid-Swap Rate and/or Mid-Swap Floating Leg Benchmark Rate that the 5 Year Mid-Swap Rate and/or Mid-Swap Floating Leg Benchmark Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the 5 Year Mid-Swap Rate and/or Mid-Swap Floating Leg Benchmark Rate that means that the 5 Year Mid-Swap Rate and/or Mid-Swap Floating Leg Benchmark Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (E) it has become unlawful for any Paying Agent, the Interest Calculation Agent, the Issuer or other party to calculate any payments due to be made to any holder of the Securities using the 5 Year Mid-Swap Rate;

"**Business Day**" means any day (other than a Saturday or a Sunday) which is a TARGET Business Day.

"**Calculation Amount**" has the meaning given to such term in Condition 5.1 (*Interest Rate*);

"**Capital Adequacy Regulations**" means (i) the solvency margin, capital adequacy regulations or any other regulatory capital rules, including those which set out the requirements on own funds, applicable to the Issuer, or the Group from time to time pursuant to Dutch law and/or the laws of any other relevant jurisdiction and which set out the requirements to be satisfied by financial instruments to qualify as solvency margin or additional solvency margin or regulatory capital (or any equivalent terminology employed by such then applicable capital adequacy regulations) and/or (ii) regulatory rules relating to the technical provisions and/or statutory liquidity requirements or any other capital adequacy regulations pursuant to Dutch law and/or the laws of any other relevant jurisdiction, each as applied and construed by the Relevant Supervisory Authority and applicable to the Issuer or the Group from time to time;

"**Capital Disqualification Event**" means that as a result of any change in the Capital Adequacy Regulations (or an official application or interpretation of those rules and regulations) on or after the Issue Date, the Securities cease, in whole or in part, to be capable of qualifying as at least Tier 1 Own Funds, on a Group basis, or as other equivalent regulatory capital of the Issuer under the Capital Adequacy Regulations except where such non-qualification is only as a result of any applicable limitation on the amount of such capital;

"**Cash Dividend**" means (i) any Dividend which is to be paid or made in cash (in whatever currency), but other than any Dividend falling within paragraph (b) of the definition of "Spin-Off" and (ii) any Dividend determined to be a Cash Dividend pursuant to paragraph (a) of the definition of "Dividend", *provided* that a Dividend falling within paragraph (c) or (d) of the definition of "Dividend" shall be treated as being a Non-Cash Dividend;

"**Closing Price**" means, in respect of a Relevant Security, option, warrant or other right on any Dealing Day, the official closing price of such Relevant Security, option, warrant or other right on the Relevant Stock Exchange on such Dealing Day as published by or derived from Bloomberg page "HP" (or any successor page) (using the setting "Last Price", or any successor setting) in respect of such Relevant Security, option, warrant or other right for the Relevant Stock Exchange in respect thereof on such Dealing Day or, if such price is not available from Bloomberg as aforesaid, in any such case, such other source as shall be determined in good faith to be appropriate by an Independent Adviser on such Dealing Day, provided that if on any such Dealing Day such price is not available or cannot otherwise be determined as provided above, the Closing Price of a Relevant Security, option, warrant or other right, as the case may be, in respect of such Dealing Day shall be the Closing Price, determined as provided above, on the immediately preceding Dealing Day on which the same can be so determined, or if such price cannot be determined as provided above, the Closing Price shall be determined as an Independent Adviser might otherwise determine in good faith to be appropriate;

"**Common Shares**" means fully paid common shares in the capital of the Issuer, which, for the avoidance of doubt, excludes common shares B (*gewone aandelen B*) of the Issuer;

"**Conditions**" has the meaning given to such term in the preamble to these Conditions;

"**Conversion**" means the conversion of the Securities into Common Shares pursuant to Condition 7 (*Conversion*), and "convert" and "converted" shall be construed accordingly;

"**Conversion Date**" has the meaning given to such term in Condition 7.3 (*Notification of the occurrence of a Conversion Trigger Event*);

"**Conversion Price**" has the meaning given to such term in Condition 7.2(c) (*Conversion upon Conversion Trigger Event*);

"**Conversion Shares**" means the Common Shares to be issued and delivered to the Conversion Shares Depository (or to the relevant recipient in accordance with these Conditions) by the Issuer on the Share Delivery Date on and subject to the terms set out in Condition 7 (*Conversion*);

"**Conversion Shares Depository**" means a reputable financial institution, trust company or similar entity (which in each such case is wholly independent of the Issuer) to be appointed by the Issuer on or prior to any date when a function ascribed to the Conversion Shares Depository in these Conditions is required to be performed to perform such functions and that will hold the Conversion Shares (and any Conversion Shares Offer Consideration) for the holders of the Securities in one or more segregated accounts, unless otherwise required to be transferred out of such accounts for the purposes of the Conversion Shares Offer, and otherwise on terms consistent with these Conditions;

"**Conversion Shares Offer**" has the meaning given to such term in Condition 7.5(a) (*Conversion Shares Offer*);

"**Conversion Shares Offer Agent**" means the agent(s), if any, to be appointed on behalf of the Conversion Shares Depository by the Issuer, in its sole and absolute discretion, to act as placement or other agent of the Conversion Shares Depository to facilitate a Conversion Shares Offer;

"**Conversion Shares Offer Consideration**" means in respect of each Security and as determined by the Conversion Calculation Agent:

- (a) if all of the Conversion Shares to be issued and delivered on Conversion are sold in the Conversion Shares Offer, the pro rata share of the cash proceeds from the sale of such Conversion Shares attributable to such Security translated, if necessary, into euro at the Prevailing Rate on the last day of the Conversion Shares Offer Period (less any foreign exchange transaction costs, if applicable);
- (b) if some but not all of such Conversion Shares are sold in the Conversion Shares Offer:
 - (i) the pro rata share of the cash proceeds from the sale of such Conversion Shares attributable to such Securities translated, if necessary, into euro at the Prevailing Rate on the last day of the Conversion Shares Offer Period (less any foreign exchange transaction costs); and
 - (ii) the *pro rata* share of such Conversion Shares not sold pursuant to the Conversion Shares Offer attributable to such Securities rounded down to the nearest whole number of Common Shares; and
- (c) if no Conversion Shares are sold in a Conversion Shares Offer, the relevant Conversion Shares attributable to such Securities rounded down to the nearest whole number of Common Shares,

subject, in the case of paragraphs (a) and (b)(i) above, to deduction from any such cash proceeds of (1) an amount equal to the pro rata share of any stamp duty, stamp duty reserve tax, or any other capital, issue, transfer, registration, financial transaction or documentary tax that may arise or be paid as a consequence of the transfer of any interest in such Conversion Shares to the Conversion Shares Depository (or Conversion Shares Offer Agent(s) (if any)) as a consequence of the Conversion Shares Offer or (2) an amount as a result of the application of the restriction in Condition 7.5(d);

"Conversion Shares Offer Notice" has the meaning given to such term in Condition 7.5(a) (*Conversion Shares Offer*);

"Conversion Shares Offer Period" has the meaning given to such term in Condition 7.5(c) (*Conversion Shares Offer*);

"Conversion Shares Offer Price" means the price per Conversion Share specified as such in the Conversion Shares Offer Notice. The Conversion Shares Offer Price to be so specified shall be:

- (a) if the Common Shares are then admitted to trading on a Relevant Stock Exchange, the Current Market Price as at the Conversion Date; or
- (b) if the Common Shares are not then admitted to trading on a Relevant Stock Exchange, the Fair Market Value of a Conversion Share as at the Conversion Date;

"Conversion Shares Settlement Notice" means a notice in the form for the time being currently available from the specified office of any Paying Agent and which is required to be delivered to the Conversion Shares Depository (or its agent(s) designated for the purpose in the Conversion Trigger Notice) in connection with a Conversion of the Securities;

a **"Conversion Trigger Event"** shall occur if at any time:

- (a) the amount of Own Fund Items eligible to cover the Solvency Capital Requirement is equal to or less than seventy-five (75) per cent. of the Solvency Capital Requirement;
- (b) the amount of Own Fund Items eligible to cover the Minimum Capital Requirement is equal to or less than the Minimum Capital Requirement;
- (c) in case the Minimum Capital Requirement is an event, such event occurs; or
- (d) a breach of the Solvency Capital Requirement has occurred and such breach has not been remedied within a period of three (3) months from the date on which the breach was first observed.

"Conversion Trigger Notice" has the meaning given to such term in Condition 7.3(b) (*Notification of the occurrence of a Conversion Trigger Event*);

"Current Market Price" means, in respect of a Common Share at a particular date, the average of the daily Volume Weighted Average Prices of a Common Share on each of the five (5) consecutive Dealing Days ending on the Dealing Day immediately preceding such date, provided that, for the purposes of Condition 7.8(d) and 7.8(f) (*Adjustment of Conversion Price*), if at any time during the said five (5) dealing-day period the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), then:

- (a) if the Common Shares to be issued and delivered do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Common Shares shall have been based on a price cum- such Dividend (or cum- such any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Common Share as at the date of first public announcement relating to such Dividend or entitlement, in any such case, determined on a gross basis

and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or

- (b) if the Common Shares to be issued and delivered do rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Common Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Common Share as at the date of first public announcement relating to such Dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit,

and provided further that, for the purposes of Condition 7.8(d) and 7.8(f) (*Adjustment of Conversion Price*), if on each of the said five (5) Dealing Days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement) in respect of a Dividend (or other entitlement) which has been declared or announced but the Common Shares to be issued and delivered do not rank for that Dividend (or other entitlement), the Volume Weighted Average Price on each of such dates shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Common Share as at the date of first public announcement of the terms such Dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit, and provided further that, if the Volume Weighted Average Price of a Common Share is not available on one or more of the said five (5) Dealing Days (disregarding for this purpose the proviso to the definition of Volume Weighted Average Price), then the average of such Volume Weighted Average Prices which are available in that five (5) Dealing Day period shall be used (subject to a minimum of two (2) such prices) and if only one, or no, such Volume Weighted Average Price is available in the relevant period, the Current Market Price shall be determined in good faith by an Independent Adviser;

"Day Count Fraction" has the meaning given to such term in Condition 5.1 (*Interest Rate*);

"Dealing Day" means a day on which the Relevant Stock Exchange or any other relevant stock exchange or securities market is open for business on which Common Shares, Relevant Securities, Relevant Shares, options, warrants or other rights (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange or such other relevant stock exchange or securities market is scheduled to or does close prior to its regular weekday closing time);

"Director" means any member of the Executive Board of the Issuer from time to time;

"Dividend" means any dividend or distribution to Shareholders in respect of the Common Shares (including a Spin-Off) whether of cash, assets or other property (and for these purposes a distribution of assets includes without limitation an issue of Common Shares or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves), and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital provided that:

- (a) where
 - (i) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Common Shares or other

property or assets, or where an issue or delivery of Common Shares or other property or assets by way of a capitalisation of profits or reserves is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash, then the Dividend or capitalisation in question shall be treated as a Cash Dividend of an amount equal to the greater of (A) the Fair Market Value of such cash amount and (B) the Current Market Price of such Common Shares (or, as the case may be, the Fair Market Value of such other property or assets) in each case as at the first date on which the Common Shares are traded ex-the relevant Dividend or capitalisation on the Relevant Stock Exchange or, in any such case, if later, the date on which the number of Common Shares (or amount of such other property or assets, as the case may be) which may be issued and delivered is determined; or

- (ii) there shall be any issue or delivery of Common Shares or other property or assets by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where such issue or delivery is or is expressed to be in lieu of a Dividend (whether or not a Cash Dividend equivalent or amount is announced), or a Dividend in cash that is to be satisfied by the issue or delivery of Common Shares or other property or assets, the capitalisation or Dividend in question shall be treated as a Cash Dividend of an amount equal to the Current Market Price of such Common Shares or, as the case may be, the Fair Market Value of such other property or assets, as at the first date on which the Common Shares are traded ex-the relevant capitalisation or, as the case may be, ex-the relevant Dividend on the Relevant Stock Exchange or, if later, the date on which the number of Common Shares (or amount of such other property or assets, as the case may be) to be issued and delivered is determined;
- (b) any issue of Common Shares as described in Condition 7.8(a) or 7.8(b) (*Adjustment of Conversion Price*) shall be disregarded;
- (c) (A) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer in accordance with any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders and otherwise in accordance with the limitations prescribed under Dutch law for dealings generally by a company in its own shares and provided that the price paid for such share capital by on behalf of the Issuer shall be within price limits that apply to any safe harbour for share buy-backs by the Issuer under applicable insider trading and market manipulation rules (on the Issue Date being Commission Delegated Regulation (EU) 2016/1052) shall not constitute a Dividend and (B) any other purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of (B) above, the weighted average price per Common Share (before expenses) on any one day (a "**Specified Share Day**") in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the average of the daily Volume Weighted Average Price of a Common Share on the 5 dealing days immediately preceding the Specified Share Day or, where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Common Shares at some future date at a specified price or where a tender offer is made, on the 5 dealing days immediately preceding the date of such announcement or the date of first public

announcement of such tender offer (and regardless of whether or not a price per Common Share, a minimum price per Common Share or a price range or a formula for the determination thereof is or is not announced at such time), as the case may be, in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Common Shares purchased, redeemed or bought back by the Issuer (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of the daily Volume Weighted Average Price of a Common Share determined as aforesaid and (ii) the number of Common Shares so purchased, redeemed or bought back;

- (d) if the Issuer shall purchase, redeem or buy back any depositary or other receipts or certificates representing Common Shares, the provisions of paragraph (c) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Adviser; and
- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Common Shares held by them from a person other than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition, and the provisions of these Conditions, including references to the Issuer paying or making a dividend, shall be construed accordingly;

"**EUR**" or "**euro**" means the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;

"**Extraordinary Dividend**" means any Cash Dividend that is expressly declared by the Issuer to be a capital distribution, extraordinary dividend, extraordinary distribution, special dividend, special distribution or return of value to Shareholders as a class or any analogous or similar term, in which case the Extraordinary Dividend shall be such Cash Dividend;

"**Extraordinary Resolution**" has the meaning given to such term in the Agency Agreement;

"**Fair Market Value**" means:

- (a) with respect to a Cash Dividend, the amount of such Cash Dividend attributable to Common Shares;
- (b) with respect to a cash amount, the amount of such cash;
- (c) with respect to Relevant Securities, options, warrants or other rights that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined in good faith by an Independent Adviser), (i) with respect to such Relevant Securities (to the extent constituting equity share capital), the arithmetic mean of the daily Volume Weighted Average Prices of such Relevant Securities and (ii) with respect to such Relevant Securities (other than to the extent constituting equity share capital), options, warrants or other rights, the arithmetic mean of the daily Closing Prices of such Relevant Securities, options, warrants or other rights, in the case of (i) and (ii), during the period of five Dealing Days on the Relevant Stock Exchange commencing on such date (or, if later, the first such Dealing Day such Relevant Securities, options, warrants or other rights are publicly traded) or such shorter period as such Relevant Securities, options,

warrants or other rights are publicly traded; and

- (d) with respect to Relevant Securities, options, warrants or other rights that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as aforesaid), the fair market value of such Relevant Securities, options, warrants or other rights as determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Common Share, the dividend yield of a Common Share, the volatility of such market price, prevailing interest rates and the terms of such Relevant Securities, options, warrants or other rights, including as to the expiry date and exercise price (if any) thereof.

Save for the Fair Market Value determination referred to in the definition of "Conversion Shares Offer Price" such amounts shall, in the case of paragraphs (a) and (b) above, be translated (if expressed in a currency other than the Relevant Currency) into the Relevant Currency (if declared, announced, made, paid or payable in a currency other than the Relevant Currency, and if the relevant Dividend is payable at the option of the Issuer or a Shareholder in any currency additional to the Relevant Currency, the relevant Dividend shall be treated as payable in the Relevant Currency) at the rate of exchange (if any) used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the Cash Dividend in the Relevant Currency; and, in any other case, shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date. In addition, in the case of paragraphs (a) and (b) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit;

"Final Cancellation Date" means the date on which any Securities in relation to which no Conversion Shares Settlement Notice has been received by the Conversion Shares Depositary (or its designated agent(s)) on or before the Notice Cut-off Date shall be cancelled, which date is expected to be no more than twelve (12) Business Days following the Notice Cut-off Date and which will be notified to holders of the Securities in the Conversion Trigger Notice;

"First Call Date" means 15 April 2029;

"First Reset Date" means 15 October 2029;

"Group" means Aegon N.V. and all of its consolidated subsidiaries and undertakings, as reflected in the primary consolidated financial statements of Aegon N.V.

"Gross-Up Event" has the meaning given to such term in Condition 8.7 (*Redemption following a Gross-Up Event*);

"Group Insurance Undertaking" means an insurance undertaking or a reinsurance undertaking of the Group;

"holder of a Security" has the meaning given to such term in Condition 1.2 (*Title*);

"Independent Adviser" means an independent financial institution of international repute or independent financial adviser with appropriate expertise (which may be (without limitation) the Conversion Calculation Agent) appointed by the Issuer at its own expense;

"Independent Benchmark Adviser" has the meaning given in Condition 5.3(b)(i) (*Determination of the Reset Rate of Interest*);

"**IA Determination Cut-off Date**" has the meaning given in Condition 5.3(b)(i) (*Determination of the Reset Rate of Interest*);

"**Initial Rate of Interest**" means 5.625 per cent per annum;

"**Insolvent Insurer Liquidation**" means a liquidation of any Group Insurance Undertaking that is not at that time a Solvent Insurer Liquidation;

"**Interest Calculation Agent**" means a leading financial institution in London or Amsterdam appointed by the Issuer in accordance with Condition 5.5 (*Interest Calculation Agent*) for the purposes of determining the Interest Rate;

"**Interest Payment**" means, in respect of any Interest Payment Date, the amount of interest due and payable on such Interest Payment Date, including, for the avoidance of doubt, any Additional Amounts;

"**Interest Payment Date**" means 15 April and 15 October in each year from (and including) 15 October 2019 (long first coupon), save that if any Interest Payment Date would otherwise fall on a day which is not a Business Day it shall be postponed to the next day which is a Business Day;

"**Interest Period**" means the period from (and including) one Interest Payment Date (or in the case of the first Interest Period from the Issue Date), to (but excluding) the next (or in the case of the first Interest Period, the first) Interest Payment Date (or, if earlier, the date on which accrued interest otherwise becomes due and payable pursuant to these Conditions);

"**Interest Rate**" has the meaning given to such term in Condition 5.1 (*Interest Rate*);

"**Issue Date**" means 4 April 2019;

"**Issuer**" has the meaning given to such term in the preamble to these Conditions;

"**Issuer's Distributable Items**" means, with respect to and as at any Interest Payment Date, without double-counting, an amount equal to:

- (a) the retained earnings and the distributable reserves of the Issuer, calculated on an unconsolidated basis, as at the last calendar day of the then most recently ended financial year of the Issuer; plus
- (b) the profit for the period (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date; less
- (c) the loss for the period (if any) of the Issuer, calculated on an unconsolidated basis, for the period from the Issuer's then latest financial year end to (but excluding) such Interest Payment Date,

each as defined under national law, or in the articles of association of the Issuer.

"**Junior Instruments**" means Common Shares, common shares B (*gewone aandelen B*) of the Issuer and any other future class of common share capital of the Issuer;

"**Liabilities**" means the non-consolidated gross liabilities of the Issuer as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events and to such extent as two members of the Executive Board of the Issuer, the

auditors or, as the case may be, the liquidator may determine to be appropriate;

"Mandatory Interest Cancellation Event" has the meaning given to such term in Condition 6.2 (*Mandatory Cancellation of Interest Payments*);

"Margin" means 5.207 per cent. per annum;

"Mid-Swap Floating Leg Benchmark Rate" has the meaning given in Condition 5.3(b) (*Determination of the Reset Rate of Interest*);

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

- (a) has a term of 5 years commencing on the relevant Reset Date;
- (b) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market; and
- (c) has a floating leg based on six-month EURIBOR (calculated on an Actual/360 day count basis);

"Minimum Capital Requirement"

- (a) means:
 - (i) when method 1 is applied, the minimum consolidated group Solvency Capital Requirement as referred to in the second subparagraph of Article 230(2) of the Solvency II Directive; or
 - (ii) when a combination of method 1 and 2 is applied, the minimum consolidated group Solvency Capital Requirement as referred to in Article 341 of the Solvency II Delegated Regulation (or any equivalent terminology employed by the Capital Adequacy Regulations); or
- (b) has any other meaning as may be given thereto under the Capital Adequacy Regulations.

"Non-Cash Dividend" means any Dividend which is not a Cash Dividend, and shall include a Spin-Off;

"Notice Cut-off Date" means the date specified as such in the Conversion Trigger Notice, which date shall be at least twenty (20) Business Days following the Share Delivery Date;

"Own Fund Items" means any own fund item referred to in the Capital Adequacy Regulations;

"Parity Obligations" means any present and future security or obligation which qualifies as Tier 1 Own Funds (other than Junior Instruments) of the Issuer (in each case whether or not such securities or obligations count as Tier 1 Own Funds at the time) and any other securities or obligations of the Issuer that rank or are expressed to rank junior to Senior Obligations or equally and rateably with Tier 1 Own Funds (other than Junior Instruments) of the Issuer, including, but not limited to, the \$500,000,000 6.50% Perpetual Capital Securities issued on 23 November 2005 (ISIN: NL0000062420), \$250,000,000 Floating Rate Perpetual Capital Securities issued on 23 November 2005 (ISIN: NL0000062438), USD 1,000,000,000 6.375%

Perpetual Capital Securities issued on 1 June 2005 (ISIN: NL0000021541), Euro 950,000,000 Perpetual Capital Securities issued on 15 July 2004 and 15 October 2004 (ISIN: NL0000116150) and USD 500,000,000 Perpetual Capital Securities issued on 15 July 2004 and 15 October 2004 (ISIN: NL0000116168);

"Paying Agents" means the Fiscal Agent, the Paying Agents and the Registrar (and such term shall include any successor, replacement or additional paying agents appointed under the Agency Agreement);

"Policyholder Claims" means claims of policyholders in a liquidation of a Group Insurance Undertaking to the extent that those claims relate to any debt to which the Group Insurance Undertaking is, or may become, liable to a policyholder pursuant to a contract of insurance;

"Prevailing Rate" means, in respect of any currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies or, if such a rate cannot be so determined, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined or, if such rate cannot be so determined, the rate determined in such other manner as an Independent Adviser shall in good faith prescribe;

"Qualifying Securities" means securities issued directly or indirectly by the Issuer that:

- (a) have terms not materially less favourable to an investor than the terms of the Securities (as reasonably determined by the Issuer in consultation with an independent adviser of international standing, and provided that a certification to such effect (including as to the consultation with the independent adviser and in respect of the matters specified in paragraphs (b)(i) to (vi) below) signed by two (2) Directors shall have been delivered to the Fiscal Agent (upon which the Fiscal Agent shall be entitled to rely without liability to any person) prior to the issue of the relevant securities);
- (b) subject to paragraph (a) above:
 - (i) contain terms which comply with the then current requirements of the Relevant Supervisory Authority in relation to Tier 1 Own Funds or other equivalent regulatory capital under the Capital Adequacy Regulations, as applicable;
 - (ii) bear at least the same rate of interest from time to time applying to the Securities and preserve the Interest Payment Dates;
 - (iii) contain terms providing for the cancellation and/or suspension of payments of interest or principal only if such terms are not materially less favourable to an investor than the cancellation and/or suspension provisions, respectively, contained in the terms of the Securities;
 - (iv) rank *pari passu* with the Securities;
 - (v) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Securities, including (without limitation) as to timing of, and amounts payable upon, such redemption, provided that such Qualifying Securities may not be redeemed by the Issuer prior to the First Call Date (save for redemption, exchange or variation on terms analogous with Condition 8.6 (*Redemption at the Option of the Issuer*)),

8.7 (*Redemption following a Gross-Up Event*), 8.8 (*Redemption for Regulatory Reasons*) or 8.10 (*Redemption for Rating Reasons*), 8.9 (*Exchange or Variation for Regulatory Reasons*) and/or 8.11 (*Exchange or Variation for Rating Reasons*));

- (vi) preserve any existing rights under these Conditions to any accrued interest and any other amounts payable under the Securities which, in each case, has accrued to holders of the Securities and not been paid (but without prejudice to any right of the Issuer subsequently to cancel any such rights so preserved in accordance with the terms of the Qualifying Securities); and
- (c) are listed or admitted to trading on the Global Exchange Market of Euronext Dublin or such other stock exchange as selected by the Issuer in consultation with the Fiscal Agent;

"Rating Agency" means each of S&P Global Ratings Europe Limited, Moody's Investors Service Limited and Fitch Ratings Limited, or any successor thereto;

"Rating Agency Compliant Securities" means securities issued directly or indirectly by the Issuer that are:

- (a) Qualifying Securities; and
- (b) assigned by the Rating Agency substantially the same equity content or, at the absolute discretion of the Issuer, a lower equity content (provided such equity content is still higher than the equity content assigned to the Securities after the occurrence of the Rating Methodology Event) as that which was assigned by the Rating Agency to the Securities on or around the Issue Date and provided that a certification to such effect signed by two (2) Directors shall have been delivered to the Fiscal Agent prior to the issue of the relevant securities (upon which the Fiscal Agent shall be entitled to rely without liability to any person);

A **"Rating Methodology Event"** will be deemed to occur upon a change in, or clarification to, the methodology of any Rating Agency (or in the interpretation of such methodology) as a result of which the equity content previously assigned by such Rating Agency to the Securities is, in the Issuer's reasonable opinion, materially reduced when compared to the equity content assigned by such Rating Agency at or around the Issue Date;

"record date" has the meaning given to such term in Condition 9.1 (*Payments in respect of Securities*);

"Redemption and Purchase Conditions" has the meaning given to such term in Condition 8.2 (*Conditions to Redemption and Purchase*);

"Register" has the meaning given to such term in Condition 1.1 (*Form and Denomination*);

the **"Regulatory Clearance Condition"** being satisfied means, in respect of any proposed act on the part of the Issuer, the Relevant Supervisory Authority having approved, having given permission or consented to, or having been given due notification of and having not objected (if and to the extent applicable) to, such act (in any case only if and to the extent required by the Relevant Supervisory Authority or the Capital Adequacy Regulations (on the basis that the Securities are intended to qualify as Tier 1 Own Funds) at the relevant time);

"Relevant Currency" means euro or (if different) the currency in which the Common Shares or

the Relevant Shares (as applicable) are quoted or dealt in on the Relevant Stock Exchange at such time;

"Relevant Date" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by an Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the holders of the Securities by the Issuer in accordance with Condition 13 (*Notices*);

"Relevant Jurisdiction" means the Netherlands or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Securities;

"Relevant Securities" means any securities including, without limitation, shares in the capital of the Issuer, or options, warrants or other rights to subscribe for or purchase or acquire shares in the capital of the Issuer (and each a **"Relevant Security"**);

"Relevant Shares" has the meaning given to such term in Condition 7.12 (*Change in Terms on Change of Control*);

"Relevant Stock Exchange" means in respect of the Common Shares, any Relevant Security, option, warrant or other right or any other securities, Euronext Amsterdam or, if at the relevant time the Common Shares, any Relevant Security, option, warrant or other right are not at that time listed and admitted to trading on Euronext Amsterdam, the principal stock exchange or securities market (if any) on which the Common Shares, any Relevant Security, option, warrant or other right are then listed, admitted to trading or quoted or accepted for dealing;

"Relevant Supervisory Authority" means any regulator or other authority from time to time having primary supervisory authority with respect to prudential matters in relation to the Issuer. As at the Issue Date, the Relevant Supervisory Authority is the Dutch Central Bank (*De Nederlandsche Bank N.V.* or DNB);

"Relevant Year" means, in respect of any Cash Dividend, the financial year of the Issuer in respect of which such Cash Dividend is being paid or made, or deemed to be paid or made, as the case may be;

"Reset Date" has the meaning given to such term in Condition 5.1 (*Interest Rate*);

"Reset Interest Rate Determination Date" has the meaning given to such term in Condition 5.3(a) (*Determination of the Reset Rate of Interest*);

"Reset Period" means the period from (and including) a Reset Date to (but excluding) the next succeeding Reset Date;

"Reset Rate of Interest" means, in respect of any Reset Period, the 5 Year Mid-Swap Rate determined on the Reset Interest Rate Determination Date applicable to such Reset Period, as determined by the Interest Calculation Agent;

"Reset Reference Bank Rate" means, with respect to a Reset Interest Rate Determination Date, the percentage rate determined on the basis of the 5-year Mid-Swap Rate Quotations provided by the Reset Reference Banks to the Interest Calculation Agent at approximately 11:00 a.m. (Central European time) on such Reset Interest Rate Determination Date. If at least three quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the

quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be (i) in respect of the Reset Period commencing on the First Reset Date, the mid-swap rate for euro swaps with a term of 5 years as determined on the pricing date of the Securities, being 0.006 per cent. per annum and (ii) in respect of any other Reset Period, the 5 Year Mid-Swap Rate in respect of the immediately preceding Reset Period;

"Reset Reference Banks" means six leading swap dealers in the interbank market selected by the Issuer in its discretion and notified to the Interest Calculation Agent;

"Screen Page" means Bloomberg screen page EUSA5 Currency (or such other page or service as may replace it for the purposes of displaying European inter-bank offered rates or Euro short-term rates of leading reference banks for deposits in euro);

"Securities" has the meaning given to such term in the preamble to these Conditions;

"Senior Obligation" means any present and future obligation of the Issuer to (a) unsubordinated creditors of the Issuer, including all policyholders (if any) or beneficiaries under contracts of insurance of the Issuer (if any) or (b) persons or entities with a claim in respect of the Issuer whose claims are, or are expressed to be, subordinated (whether only in the event of a Winding Up or otherwise) to the claims of unsubordinated creditors of the Issuer (such subordinated claims including any claims with respect to instruments that qualify as Tier 2 Own Funds or Tier 3 Own Funds (in each case whether or not such securities count as Tier 2 Own Funds or Tier 3 Own Funds, respectively, at the time) of the Issuer), other than creditors or other persons or entities whose claims are, or are expressed to rank, *pari passu* with or junior to the claims of the holders of the Securities;

"Settlement Date" means:

- (a) where the Issuer has not elected that a Conversion Shares Offer will be conducted, with respect to any Security in relation to which a Conversion Shares Settlement Notice is received by the Conversion Shares Depository or its designated agent on or before the Notice Cut-off Date, the date that is two (2) Business Days after the latest of:
 - (i) the Share Delivery Date;
 - (ii) the date on which the Issuer announces that it will not elect for a Conversion Shares Offer to be conducted (or, if no such announcement is made, the last date on which the Issuer is entitled to give the Conversion Shares Offer Notice); and
 - (iii) the date on which the relevant Conversion Shares Settlement Notice has been received by the Conversion Shares Depository or its designated agent;
- (b) where the Issuer has elected that a Conversion Shares Offer will be conducted, with respect to any Security in relation to which a Conversion Shares Settlement Notice is received by the Conversion Shares Depository or its designated agent on or before the Notice Cut-off Date, the date that is two (2) Business Days after the later of:
 - (i) the date on which the Conversion Shares Offer Period expires or is terminated; and

- (ii) the date on which the relevant Conversion Shares Settlement Notice has been so received by the Conversion Shares Depositary or its designated agent; and
- (c) with respect to any Security in relation to which a Conversion Shares Settlement Notice is not received by the Conversion Shares Depositary or its designated agent on or before the Notice Cut-off Date, the date on which the Conversion Shares Depositary delivers the relevant Conversion Shares or Conversion Shares Offer Consideration, as applicable, to the relevant holder of a Security;

"Share Delivery Date" means, following the occurrence of a Conversion Trigger Event, the date on which the Issuer delivers the Conversion Shares to the Conversion Shares Depositary in accordance with these Conditions which date is expected to be no more than fifteen (15) Business Days following the Conversion Date and which will be notified to holders of the Securities in the Conversion Trigger Notice;

"Shareholders" means the holders of Common Shares;

"Solvency Capital Requirement" means the group Solvency Capital Requirement as referred to in the Solvency II Directive (or any equivalent terminology employed by the Capital Adequacy Regulations);

"Solvency Condition" has the meaning set forth in Condition 4.1 (*Solvency Condition*);

"Solvency II" means the Solvency II Directive and any implementing measures adopted pursuant to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of regulation, implementing technical standards or by further directives, guidelines published by the European Insurance and Occupational Pensions Authority (or any successor entity) or otherwise) including, without limitation, the Solvency II Regulations;

"Solvency II Directive" means Directive 2009/138/EC of the European Union of 25 November, 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), as amended from time to time;

"Solvency II Regulations" means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking up and pursuit of the business of Insurance and Reinsurance (Solvency II), as amended from time to time;

"Solvent Insurer Liquidation" means a liquidation of any Group Insurance Undertaking where the Issuer has determined, acting reasonably, that all Policyholder Claims of such Group Insurance Undertaking will be met;

"Spin-Off" means (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or (b) any issue, transfer or delivery of any property or assets (including cash or shares or other securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class, pursuant to any arrangements with the Issuer;

"Spin-Off Securities" means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer;

"Subsidiary" means each subsidiary within the meaning of Dutch law (currently defined in Section 2:24a of the Dutch Civil Code) of the Issuer;

"**TARGET Business Day**" means a day on which the TARGET System is operating;

"**TARGET System**" means the Trans European Real Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto;

"**Taxes**" has the meaning given to such term in Condition 10.1 (*Payment without withholding*);

"**Tier 1 Own Funds**" has the meaning given to such term by the Capital Adequacy Regulations from time to time;

"**Tier 2 Own Funds**" has the meaning given to such term by the Capital Adequacy Regulations from time to time;

"**Tier 3 Own Funds**" has the meaning given to such term by the Capital Adequacy Regulations from time to time;

"**Transfer Agent**" has the meaning give in the preamble to these Conditions;

"**Volume Weighted Average Price**" means, in respect of a Common Share or Relevant Security, options, warrants or other rights on any Dealing Day, the order book volume-weighted average price of such Common Share or Relevant Security on the Relevant Stock Exchange in respect thereof as published by or derived from Bloomberg page "HP" (or any successor page) (using the setting "Weighted Average Line" or any successor setting) in respect of such Common Shares, options, warrants or other rights for the Relevant Stock Exchange in respect thereof on such Dealing Day (and for the avoidance of doubt such page for a Common Share as at the Issue Date is AGN NA Equity HP), or, if such price is not available from Bloomberg as aforesaid, in any such case, such other source as shall be determined in good faith to be appropriate by an Independent Adviser on such Dealing Day, provided that if on any such Dealing Day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Common Share, Relevant Security, option, warrant or other right, as the case may be, in respect of such Dealing Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Dealing Day on which the same can be so determined or determined as an Independent Adviser might otherwise determine in good faith to be appropriate; and

"**Winding Up**" means the Issuer's winding up (*vereffening na ontbinding*) or bankruptcy (*faillissement*).

SUMMARY OF PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

Initial Issue of Certificates

The Global Certificate will be registered in the name of a nominee (the "**Registered Holder**") for the Common Depositary for Euroclear and Clearstream, Luxembourg and may be delivered on or prior to the original issue date of the Securities.

Upon the registration of the Global Certificate in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Securities equal to the nominal amount thereof for which it has subscribed and paid.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (an "**Alternative Clearing System**") as the holder of a Security represented by a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the holder of the Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Securities for so long as the Securities are represented by the Global Certificate and such obligations of the Issuer will be discharged by payment to the holder of the Global Certificate in respect of each amount so paid.

Exchange

The following will apply in respect of transfers of Securities held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Securities within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Securities may be withdrawn from the relevant clearing system.

Transfers of the holding of Securities represented by the Global Certificate pursuant to Condition 2.1 (*Transfers*) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) upon or following any failure to pay principal in respect of any Securities when it is due and payable; or

with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

Amendment to Conditions

The Global Certificate contains provisions that apply to the Securities that it represents, some of which modify the effect of the Conditions set out in this Offering Circular. The following is a summary of certain of those provisions:

Payments

All payments in respect of Securities represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

Notices

Until such time as any definitive Certificates are issued, there may (provided that, in the case of any publication required by a stock exchange, the rules of the stock exchange so permit), so long as the Global Certificate is held in its entirety on behalf of Euroclear or Clearstream, Luxembourg, be substituted for publication in some or all of the newspapers referred to in Condition 13, the delivery of the relevant notice to Euroclear or Clearstream, Luxembourg for communication by it to the Securityholders, provided that for so long as any Securities are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will also be published in the manner required by those rules. Any such notice shall be deemed to have been given to the Securityholders on the day on which the said notice was received by Euroclear or Clearstream, Luxembourg.

Meetings

For the purposes of any meeting of holders of the Securities, the holder of the Securities represented by the Global Certificate shall be treated as being entitled to one vote in respect of each EUR1,000 in principal amount of the Securities.

Electronic Consent and Written Resolution

While any Global Certificate is registered in the name of any nominee for a clearing system, then:

- (i) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Securities outstanding (an "**Electronic Consent**" as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of holders of the Securities duly convened and held, and shall be binding on all holders of the Securities whether or not they participated in such Electronic Consent; and
- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by (a) accountholders in the clearing system with entitlements to such Global Certificate or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more

intermediaries and provided that, in each case, the Issuer has obtained commercially reasonable evidence to ascertain the validity of such holding and has taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all holders of the Securities, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "commercially reasonable evidence" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Securities. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Securities is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

Conversion

Any Conversion of Securities held in Euroclear or Clearstream, Luxembourg will be effected in accordance with the relevant procedures of Euroclear, Clearstream, Luxembourg and Euroclear Netherlands.

In the case of Securities represented by a Global Certificate, any Conversion Shares Settlement Notice delivered prior to the day following the Suspension Date shall be void.

For the purposes of this provision, "Suspension Date" shall mean a date specified by the Issuer in the Conversion Trigger Notice or the Conversion Shares Offer Notice (and any notice of termination of the Conversion Shares Offer), as the case may be, as being the date on which Euroclear or Clearstream, Luxembourg shall suspend all clearance and settlement of transactions in the Securities in accordance with its rules and procedures which date shall, in the case of a Conversion Shares Offer, be as proximate to the end of the Conversion Shares Offer Period as is reasonably practicable in accordance with the rules and procedures of Euroclear or Clearstream, Luxembourg.

The number of Common Shares to be issued and delivered by the Issuer to the Conversion Shares Depository on the Share Delivery Date shall be calculated by the Conversion Calculation Agent on the basis of the aggregate principal amount of the Securities so converted.

USE OF PROCEEDS

The net proceeds of the issue of the Securities will be used for general corporate purposes of the Group (which may include, without limitation, the refinancing of existing debt).

DESCRIPTION OF THE ISSUER

For a description of the Issuer, the Group and the Group's business as well as the Issuer's share capital, see the Registration Document which is incorporated by reference herein.

TAXATION – NETHERLANDS

The following summary outlines the principal Dutch tax consequences of the acquisition, holding, settlement, redemption and disposal of the Securities, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant.

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

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

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

- (i) investment institutions (*fiscale beleggingsinstellingen*);
- (ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;
- (iii) holders of Securities holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Securities of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Issuer or 5% or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in the Issuer;
- (iv) persons to whom the Securities and the income from the Securities are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);
- (v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Securities are attributable to such permanent establishment or permanent representative; and
- (vi) individuals to whom Securities or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

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

This summary does not describe the consequences of the conversion of the Securities.

WITHHOLDING TAX

All payments made by the Issuer of interest and principal under the Securities can be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Securities are considered either as debt for Dutch civil law purposes and do not in fact have the function of equity of the Issuer within the meaning of Article 10, paragraph 1, under d of the Dutch Corporate Income Tax Act of 1969 (*Wet op de vennootschapsbelasting 1969*) or as an equity instrument, not being shares (*aandelen*) or profit certificates (*winstbewijzen*) within the meaning of the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*). See also the risk factors under the headings ‘*Withholding tax*’ and ‘*Announced tax initiatives of the Dutch government*’.

Corporate and Individual Income Tax

Residents of the Netherlands

If a holder of Securities is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Securities are attributable, income derived from the Securities and gains realised upon the redemption, settlement or disposal of the Securities are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Securities and gains realised upon the redemption, settlement or disposal of the Securities are taxable at the progressive rates (at up to a maximum rate of 51.75%) under the Dutch Income Tax Act 2001, if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Securities are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Securities are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Securities, must determine taxable income with regard to the Securities on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Securities will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 30%.

Non-residents of the Netherlands

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

- (i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Securities are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Securities are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25%.

- (ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Securities are attributable, or (2) realises income or gains with respect to the Securities that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*), or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Securities are attributable.

Income derived from the Securities as specified under (1) and (2) is subject to individual income tax at progressive rates up to a maximum rate of 51.75%. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under ‘Residents of the Netherlands’).

Gift and Inheritance Tax

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

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

Value Added Tax

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

Other Taxes and Duties

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

Foreign account tax compliance act (FATCA)

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or

related requirements. The issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Securities issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited and HSBC Bank plc (together, the "**Joint Lead Managers**") have, pursuant to a Subscription Agreement dated 2 April 2019, jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe (or procure the subscription) for the Securities at 100 per cent. of their principal amount less certain commissions. In addition, the Issuer has agreed to reimburse the Joint Lead Managers for certain of their expenses in connection with the issue of the Securities.

General

None of the Issuer or any Joint Lead Manager has made any representation that any action will be taken in any jurisdiction by the Joint Lead Managers or the Issuer that would permit a public offering of the Securities, or possession or distribution of this Offering Circular (in preliminary, proof or final form) or any other offering or publicity material relating to the Securities (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each Joint Lead Manager has agreed that it will comply, to the best of its knowledge and belief, with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Securities or has in its possession or distributes this Offering Circular (in preliminary, proof or final form) or any such other material, in all cases at its own expense. No Joint Lead Manager has been authorised to make any representation or use any information in connection with the issue, subscription and sale of the Securities other than as contained in this Offering Circular or any amendment or supplement thereto.

United States

The Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Joint Lead 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 the Securities, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Securities and the Closing Date (as defined in the Subscription Agreement) within the United States or to, or for the account or benefit of, U.S. persons and neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Securities, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Joint Lead Manager has agreed that it will have sent to each dealer to which it sells the Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of the Securities within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities 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 2016/97 EU ("**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each Joint Lead Manager has represented and agreed that:

- (A) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Securities 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 Securities in, from or otherwise involving the United Kingdom.

The Netherlands

Each Joint Lead Manager has represented and agreed that the Securities are and may not be offered in the Netherlands other than to persons or entities who or which are qualified investors as defined in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

Italy

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

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**"); or
- (ii) in any other circumstances where an express exemption from compliance with the rules relating to public offers of financial products (*offerta al pubblico di prodotti finanziari*) provided for by the Financial Services Act and the relevant implementing regulations (including Regulation No. 11971).

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

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time)

and Legislative Decree No. 385 of 1 September 1993, as amended (the “**Banking Act**”); and

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

Canada

The Securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Singapore

Each Joint Lead Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities 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 Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, 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 (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 Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in the SFA) or securities-based derivatives contracts (as defined in the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or
- (2) where no consideration is or will be given for the transfer; or
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276(7) of the SFA.

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore

- In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the **CMP Regulations 2018**), the Issuer has determined the classification of the Securities as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Hong Kong

Each Joint Lead Manager has represented and agreed and each further Joint Lead Manager appointed under this Offering Circular will be required to represent and agree that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) 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 the 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 Securities, 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 Securities 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 of Hong Kong and any rules made under the SFO.

Belgium

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

GENERAL INFORMATION

1. The Issuer was incorporated by deed of incorporation on 23 May 1969.
2. This Offering Circular has been approved by Euronext Dublin as listing particulars. Application has been made to Euronext Dublin for the Securities to be admitted to the Official List and trading on the GEM which is the exchange regulated market of Euronext Dublin. The GEM is not a regulated market for the purposes of Directive 2014/65/EU.
3. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Securities. The issue of the Securities was authorised by a resolution of the Executive Board of the Issuer passed on 12 July 2018 and a resolution of the Supervisory Board of the Issuer passed on 15 August 2018.
4. There has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2018. There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2018.
5. Aegon is involved in litigation in the ordinary course of business, including litigation where compensatory or punitive damages and mass or class relief are sought. In particular, certain current and former customers, and groups representing customers, have initiated litigation and certain groups are encouraging others to bring lawsuits in respect of certain products. Aegon has established litigation policies to deal with the claims defending when the claim is without merit and seeking to settle in certain circumstances. There can be no assurances that Aegon will be able to resolve existing litigation in the manner it expects or that existing or future litigation will not result in unexpected liability. For a detailed description of litigation procedures in which Aegon is involved, please refer to section 8 (*Legal and arbitration proceedings, regulatory investigations and actions*) of the Registration Document.
6. The Securities are potentially convertible into Common Shares of the Issuer. On the date hereof the Common Shares are listed and the Securities would on a Conversion convert into those listed Common Shares. The trading market for the Issuer's Common Shares is the regulated market of Euronext Amsterdam.

Euronext Amsterdam is the regulated market of Euronext in Amsterdam and a key element in the financial infrastructure in the Netherlands. Its roots stretch back to the early seventeenth century and its regulated market is regulated by the Dutch Minister of Finance. On 28 March 2019, the daily trading volume (in terms of value) of all order book trading on Euronext Amsterdam was €1,482,700,000. Price and trading information is available on Euronext Amsterdam's website which is continually updated with a 15 minute time delay. The trading prices of the Common Shares of the Issuer and daily trading volumes are published on Euronext Amsterdam's website and in Euronext Amsterdam's Daily Official List, as well as on the Issuer's website. The ISIN of the Common Shares of the Issuer is NL0000303709 (source: www.euronext.com).

The rights of the shareholders of the Issuer are contained in the articles of association of the Issuer and the Issuer will be managed in accordance with those articles and with the provisions of Dutch law.

7. The Securities have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code is 188647880 and the International Securities Identification Number (ISIN) is XS1886478806. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels,

Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.

8. The Issuer's legal entity identifier (LEI) is O4QK7KMMK83ITNTHUG69.
9. The financial statements of Aegon N.V. for the three years ended 31 December 2016, 31 December 2017 and 31 December 2018 have been audited by PricewaterhouseCoopers Accountants N.V., an independent registered public accounting firm located at Thomas R. Malthusstraat 5, 1066 JR, Amsterdam, The Netherlands, as stated in their auditor's reports incorporated by reference herein. The auditor signing the auditor's reports on behalf of PricewaterhouseCoopers Accountants N.V. is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).
10. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Securities and is not itself seeking admission of the Securities to trading on the Global Exchange Market of Euronext Dublin.
11. Where information in this Offering Circular (including where such information has been incorporated by reference) has been sourced from third parties this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
12. For so long as the Securities remain outstanding and admitted to the Official List and to trading on the GEM, copies of the following documents (in physical form) will be available, during usual business hours on any weekday (public holidays excepted), for inspection, free of charge, at the office of the Fiscal Agent:
 - (a) the Registration Document, as well as any documents incorporated by reference therein;
 - (b) the Agency Agreement; and
 - (c) a copy of this Offering Circular together with any supplement thereto or any further Offering Circular.
13. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer and/or the Issuer's affiliates in the ordinary course of business.

THE ISSUER

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