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- (i) you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located;
- (ii) the electronic mail (or e-mail) address to which it has been delivered is not located in the United States of America, its territories and possessions, any State of the United States and the District of Columbia (and "**possessions**" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands);
- (iii) you consent to delivery of this Offering Memorandum by electronic transmission;
- (iv) you are a prospective purchaser of the securities referred to in this Offering Memorandum (the "**Securities**") or you are a person authorized by the Sole Bookrunner to receive this Offering Memorandum;
- (v) you will not transmit this Offering Memorandum (or any copy of it, in whole or in part) or disclose, whether orally or in writing, any of its contents to any other person; and
- (vi) you acknowledge that this Offering Memorandum does not constitute an offer of or an invitation to offer to subscribe for or purchase any of the Securities. This Offering Memorandum is an advertisement. It is not a prospectus for the purposes of Regulation (EU) 2017/1129, as amended.

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RESTRICTIONS:

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and, accordingly, you are not authorized to deliver this Offering Memorandum to any other person:

In particular:

- (i) Nothing in this electronic transmission constitutes an offer of the Securities for sale in the United States or to any US person or in any other jurisdiction where it is unlawful to make the offer. Any Securities to be issued will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be sold unless such securities are registered under the Securities Act or are offered or sold pursuant to an available exemption from the registration requirement, and are subject to U.S. tax law requirements. The Securities are being offered and sold outside of the United States only in accordance with Regulation S of the Securities Act.
- (ii) No action has been or will be taken in any jurisdiction by the Sole Bookrunner or Oldenburgische Landesbank Aktiengesellschaft that would or is intended to, permit a public offering of the securities, or possession or distribution of this Offering Memorandum or any other offering or publicity material relating to the securities, in any country or jurisdiction where action for that purpose is required.



Oldenburgische Landesbank Aktiengesellschaft

(Oldenburg, Federal Republic of Germany)

EUR 100,000,000 Undated Non-Cumulative Fixed to Reset Rate Additional Tier 1 Notes of 2021

Oldenburgische Landesbank Aktiengesellschaft (the "**Issuer**" or "**OLB AG**") will issue on 22 July 2021 (the "**Issue Date**") Undated Non-Cumulative Fixed to Reset Rate Additional Tier 1 Notes (the "**Notes**" or the "**Additional Tier 1 Notes**") in an aggregate nominal amount of EUR 100,000,000 (the "**Aggregate Nominal Amount**") at an issue price of 100 per cent. of their Aggregate Nominal Amount. The Notes will be issued in bearer form in denominations of EUR 200,000 (the "**Specified Denomination**" or the "**Original Nominal Amount**").

The Notes will bear interest on their Current Nominal Amount (as defined below) from and including the Issue Date to but excluding 15 December 2026 (the "**First Reset Date**") at a fixed rate of 6.000 per cent. per annum. Thereafter, and unless previously redeemed, the applicable Rate of Interest (as defined in the terms and conditions of the Notes (the "**Terms and Conditions of the Notes**")) will be reset at five year intervals on the basis of the then prevailing annual 5-year swap rate, plus the initial credit spread of 6.294 per cent. per annum. Interest shall be payable annually in arrear on 15 December of each year (each an "**Interest Payment Date**"), commencing on 15 December 2021 (short first interest period).

Payments of interest (each an "**Interest Payment**") are subject to cancellation, in whole or in part, and, if cancelled, are non-cumulative and Interest Payments in following years will not increase to compensate for any shortfall in Interest Payments in any previous year.

"**Current Nominal Amount**" means, with respect to any Note: (i) at the date of the issue, the Original Nominal Amount of such Note and (ii) thereafter, the then outstanding nominal amount of such Note as reduced by any write-downs to the extent not compensated by write-ups (subject to limitations and conditions as provided for in the Terms and Conditions of the Notes).

In addition, if the relevant resolution authority were to exercise any write-down and conversion powers, either the then outstanding nominal amount of the Notes will be (permanently) written down or the Notes will be converted to Common Equity Tier 1 instruments.

The Notes do not have a maturity date. The Notes are redeemable by OLB AG, subject to the prior approval of the competent authority, on the First Reset Date and on each Interest Payment Date thereafter or in other limited circumstances and, in each case, subject to limitations and conditions as described in the Terms and Condition of the Notes. The redemption amount for each Note will be its Current Nominal Amount.

The Issuer does not intend to apply to list the Notes on any securities exchange.

The Notes have been assigned the following securities codes: ISIN DE000A11QJL6, Common Code 236815498, WKN A11QJL.

Investing in the Notes involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil their respective obligations under the Notes are discussed under "*Risk Factors*" below.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in certain transactions exempt from the registration requirements of the Securities Act.

Sole Bookrunner

Goldman Sachs Bank Europe SE

RESPONSIBILITY STATEMENT

The Oldenburgische Landesbank Aktiengesellschaft ("**OLB AG**" or the "**Issuer**" and, together with its subsidiaries, "**OLB**" or the "**OLB Group**") with its registered office in Oldenburg, Germany, accepts responsibility for the information contained in this Offering Memorandum and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Memorandum is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer further confirms that (i) this Offering Memorandum contains all information with respect to the Issuer and its subsidiaries taken as a whole and to the Notes which is material in the context of the issue and offering of the Notes, including all information which, according to the particular nature of the Issuer and of the Notes is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and of the rights attached to the Notes; (ii) the statements contained in this Offering Memorandum relating to the Issuer and the Notes are in every material respect particular true and accurate and not misleading; (iii) there are no other facts in relation to the Issuer or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Memorandum misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

Third Party Information: With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) neither the Issuer nor the Sole Bookrunner has independently verified any such information and neither the Issuer nor the Sole Bookrunner accepts any responsibility for the accuracy thereof.

NOTICE

No person is authorized to give any information or to make any representation other than those contained in this Offering Memorandum and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of the Issuer or the Sole Bookrunner (as defined in the section "*Subscription and Sale of the Notes*").

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

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

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

To the extent permitted by the laws of any relevant jurisdiction, neither the Sole Bookrunner nor any of its respective affiliates nor any other person mentioned in this Offering Memorandum, except for the Issuer, accepts responsibility for the accuracy and completeness of the information contained in this Offering Memorandum or any document incorporated by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accept any responsibility for the accuracy and completeness of the information contained in any of these documents. The Sole Bookrunner has not independently verified any such information and accept no responsibility for the accuracy thereof.

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

The distribution of this Offering Memorandum and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Memorandum comes are required to inform themselves about and to observe any such restrictions. For a description of the restrictions applicable in the EEA, the United States of America and the United Kingdom, see "*Subscription and Sale of the Notes – Selling Restrictions*".

For the avoidance of doubt the content of any website referred to in this Offering Memorandum does not form part of this Offering Memorandum.

The language of this Offering Memorandum is English. In respect of the Terms and Conditions of the Notes German is the controlling and legally binding language.

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

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

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

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET: PROFESSIONAL INVESTORS AND ECPS ONLY

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

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS

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

PRIIPS REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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

BENCHMARK REGULATION: STATEMENT ON REGISTRATION OF BENCHMARK ADMINISTRATOR

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

ALTERNATIVE PERFORMANCE MEASURES

Certain terms used in this Offering Memorandum and financial measures presented in the documents incorporated by reference are neither recognized financial measures under the German Commercial Code (*Handelsgesetzbuch* – "**HGB**") nor under the International Financial Reporting Standards as adopted by the European Union ("**IFRS**") ("**Alternative Performance Measures**") and may therefore not be considered as an alternative to the financial measures defined in the accounting standards in accordance with generally accepted accounting principles. The Issuer has provided these Alternative Performance Measures because it believes they provide investors with additional information to assess the operating performance and financial standing of OLB's business activities. The definition of the Alternative Performance Measures may vary from the definition of identically named alternative performance measures used by other companies. The Alternative Performance Measures for OLB presented by the Issuer should not be considered as an alternative to measures of operating performance or financial standing derived in accordance with HGB (or IFRS). These Alternative Performance Measures have limitations as analytical tools and should not be considered in isolation or as substitutes for the analysis of the results or liabilities as reported under HGB (or IFRS).

FORWARD-LOOKING STATEMENTS

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

Forward-looking statements in this Offering Memorandum are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Issuer's financial

condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Issuer's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Offering Memorandum to become inaccurate. Accordingly, investors are strongly advised to read the section "*Risk Factors*" of this Offering Memorandum. This section includes more detailed descriptions of factors that might have an impact on the Issuer's business and the markets in which it operates.

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

RESTRICTIONS ON MARKETING AND SALES TO RETAIL INVESTORS

The Notes 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 Notes to retail investors.

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

In the UK, COBS requires, in summary, that the Notes should not be offered or sold to retail clients (as defined in COBS 3.4 and each a "retail client") in the UK.

The Sole Bookrunner is required to comply with COBS.

By purchasing, or making or accepting an offer to purchase, any Notes (or a beneficial interest in such Notes) from the Issuer and/or the Sole Bookrunner, each prospective investor represents, warrants, agrees with, and undertakes to, the Issuer and the Sole Bookrunner that:

- (1) it is not a retail client in the UK;
- (2) it will not:
 - (i) sell or offer the Notes (or any beneficial interests therein) to retail clients in the UK; or
 - (ii) communicate (including the distribution of this Offering Memorandum, in preliminary or final form) or approve any invitation or inducement to participate in, acquire or underwrite the Notes (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the UK; and

in selling or offering the Notes or making or approving communications relating to the Notes, each prospective investor may not rely on the limited exceptions set out in COBS.

- (3) The obligations in paragraph 2 above are in addition to the need to comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA or the UK) relating to the promotion, offering, distribution and/or sale of the Notes (or any beneficial interests therein), whether or not specifically mentioned in the Offering Memorandum, including (without limitation) MiFID II or the UK FCA Handbook and any other applicable laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Notes (or any beneficial interests therein) by investors in any relevant jurisdiction.

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

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OVERVIEW OF THE NOTES

The following overview should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Offering Memorandum. For a more detailed description of the Notes, please refer to the section "Terms and Conditions of the Notes" of this Offering Memorandum. For more information on the Issuer, its business and its financial conditions, please refer to the section "Issuer Description". In the event of any inconsistency between this overview of the notes and the information provided elsewhere in this Offering Memorandum, the latter shall prevail. Terms used in this overview and not otherwise defined shall have the meaning given to them in the Terms and Conditions of the Notes.

Issuer	Oldenburgische Landesbank Aktiengesellschaft, Oldenburg
Notes	EUR 100,000,000 Undated Non-Cumulative Fixed to Reset Rate Additional Tier 1 Notes
Risk Factors	There are certain factors that may affect the Issuer's ability to fulfill its obligations under the Notes. In addition, there are certain factors that are material for the purpose of assessing the risks associated with an investment in the Notes. These risks are set out under the section "Risk Factors" of this Offering Memorandum.
Sole Bookrunner	Goldman Sachs Bank Europe SE
Paying Agent	Oldenburgische Landesbank Aktiengesellschaft
Aggregate Nominal Amount of the Notes	EUR 100,000,000
Issue Price	100 per cent.
Issue Date of the Notes	22 July 2021
First Reset Date	15 December 2026
Maturity	<p>The Notes have no scheduled maturity date and only provide for termination rights of the Issuer (see "<i>Termination Rights of the Issuer</i>" below) but not for termination rights of the Noteholders.</p> <p>"Noteholder" means any holder of a proportionate co-ownership or other right in the Notes.</p>
Specified Denomination / Original Nominal Amount	EUR 200,000 per Note.
Use of Proceeds	The net proceeds from the issue of the Notes will be used for general corporate purposes and to strengthen the Issuer's regulatory capital base by providing Additional Tier 1 capital for the Issuer. In particular, the Issuer aims to optimize its capital structure by utilizing the 1.5% Pillar 1 AT1 'bucket' (approximately EUR 100 million as of 31 December 2020) and further strengthen key financial metrics including Tier 1 and leverage ratio.
Status of the Notes	<p>The Notes constitute unsecured, unguaranteed and subordinated obligations of the Issuer, ranking <i>pari passu</i> among themselves and (as specified below) <i>pari passu</i> with all other equally subordinated obligations of the Issuer.</p> <p>If resolution measures are imposed on the Issuer, or in the event of the dissolution, liquidation, insolvency or composition of the Issuer, or if other proceedings are opened for the avoidance of insolvency of the Issuer or against, the Issuer, the obligations of the Issuer under the Notes</p>

- (a) rank junior to (i) the claims of unsubordinated creditors of the Issuer (including, but not limited to, claims against the Issuer under its non-preferred senior debt instruments within the meaning of § 46f(6) sentence 1 KWG), (ii) the claims specified in § 39(1) nos. 1 to 5 InsO, (iii) the claims under Tier 2 Instruments, (iv) the claims of other subordinated creditors of the Issuer which do not, pursuant to (b) and (c) below, rank *pari passu* with, or junior to, the claims under the Notes, and (v) the claims under other instruments which pursuant to their terms or mandatory provisions of law (including pursuant to § 46f(7a) sentence 3 KWG or any successor provision thereto) rank *pari passu* with, or senior to, Tier 2 Instruments unless already captured in (i) or (ii) (the obligations of the Issuer referred to in (i) through (iv), together the "**Senior Ranking Obligations**"); provided that in any such event, no amounts shall be payable in respect of the Notes until the Senior Ranking Obligations have been satisfied in full;
- (b) rank *pari passu* with the obligations of the Issuer under other AT1 Instruments; and
- (c) rank senior to the obligations in respect of common equity tier 1 items of the Issuer pursuant to Article 26 CRR (in particular (but not limited to) the ordinary shares and other instruments (if any) of the Issuer which pursuant to their terms or mandatory provisions of law rank *pari passu* with ordinary shares).

If the Notes in their entirety no longer qualify as AT1 Instruments or other own funds instruments, the obligations under the Notes will, pursuant to § 46f(7a) KWG or any successor provision thereto, rank in priority to all obligations under own funds.

"**AT1 Instrument**" means any (directly or indirectly issued) capital instrument of the Issuer that qualifies as an additional tier 1 item pursuant to Article 52 CRR (including, but not limited to, any capital instrument or other instrument that qualifies as an additional tier 1 item pursuant to the transitional provisions under the CRR).

"**CRR**" means Regulation (EU) No 575/2013 of the European Parliament and the Council of 26 June 2013, as amended or replaced from time to time, in particular by the Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019; to the extent that any provisions of the CRR are amended or replaced, the reference to provisions of the CRR as used in the Terms and Conditions of the Notes shall refer to such amended provisions or successor provisions from time to time.

"**InsO**" means the German Insolvency Statute (*InsO*), as amended or replaced from time to time; to the extent that any provisions of the InsO are amended or replaced, the reference to provisions of the InsO as used in the Terms and Conditions of the Notes shall refer to such amended provisions or successor provisions from time to time.

"**KWG**" means the German Banking Act (*Kreditwesengesetz – KWG*), as amended or replaced from time to time; to the extent that any provisions of the KWG are amended or replaced, the reference to provisions of the KWG as used in the Terms and Conditions of the Notes shall refer to such amended provisions or successor provisions from time to time.

"**Tier 2 Instrument**" means any (directly or indirectly issued) capital instrument or subordinated loan instrument of the Issuer that qualifies as a Tier 2 instrument pursuant to Article 63 CRR (including, but not limited to, any capital instrument or subordinated loan instrument or other instrument

that qualifies as a Tier 2 item pursuant to transitional provisions under the CRR).

No set-off, no security

No Noteholder may set off his claims arising under the Notes against any claims of the Issuer. No collateral or guarantee is, or shall at any time be, provided securing claims of the Noteholders under the Notes. Any collateral or guarantee already provided or granted in the future (as the case may be) in connection with other liabilities of the Issuer may not be used for claims under the Notes.

Interest Payments

Pursuant to the Terms and Conditions of the Notes, the Issuer will (subject to the provisions set out below) from (and including) the Interest Commencement Date owe interest payments at the applicable Rate of Interest (as defined in the Terms and Conditions of the Notes) to the Noteholders. The Interest Amount will be calculated annually on the basis of the nominal amount of the Notes from time to time (which may be lower than the Original Nominal Amount of the Notes ("*Write-down of the Redemption Amount and the Nominal Amount of the Notes*" below)) and payable annually in arrear on each Interest Payment Date, subject to having accrued and being payable under the Terms and Conditions of the Notes.

The applicable Rate of Interest for the period from the Interest Commencement Date (inclusive) to the First Reset Date (exclusive) will be a fixed rate of 6.000 per cent. *per annum*; thereafter, the applicable Rate of Interest will reset on the First Reset Date and at five year intervals thereafter on the basis of the then prevailing Original Benchmark Rate or a successor or alternative rate thereto, plus the initial credit spread of 6.294 per cent. *per annum*.

"**Interest Payment Date**" means 15 December in each year. The first Interest Payment Date is 15 December 2021 (short first interest period). On the first Interest Payment Date an initial broken amount of interest in the amount of EUR 2,400,000 will be paid per Note.

"**Original Benchmark Rate**" means the annual swap rate for euro swap transactions with a 5 year maturity commencing on the relevant Reset Date, expressed as a percentage, as displayed on the Reuters screen "ICESWAP2/EURFIXA" (or any successor page) under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time) as at 11:00 a.m. Frankfurt time on the relevant Interest Determination Date.

"**Reset Date**" means the First Reset Date and any fifth anniversary of the immediately preceding Reset Date.

For more details, see § 3 of the Terms and Conditions of the Notes.

**Discretionary
Cancellation of Interest**

Interest Payments will not accrue if the Issuer has elected, at its sole discretion, to cancel payment of interest (non-cumulative), in whole or in part, on any Interest Payment Date (see also below "*Interest Payments are non-cumulative*").

See § 3(8) of the Terms and Conditions of the Notes.

**Compulsory
Cancellation of Interest**

In addition, the Notes will not bear interest or will bear a reduced amount of interest, as applicable, on an Interest Payment Date:

- (i) to the extent that such payment of interest together with

- (a) the amount of a write-up, if any, in accordance with § 5(9) of the Terms and Conditions of the Notes to be effected as of the relevant Interest Payment Date,
 - (b) any additional Relevant Distributions (as defined in § 3(9) of the Terms and Conditions of the Notes) that are scheduled to be made or have been made on the same day or that have been made by the Issuer on other Tier 1 Instruments (as defined in § 3(9) of the Terms and Conditions of the Notes) in the then current financial year of the Issuer and
 - (c) the total amount of write-ups, if any, on any other AT1 Instruments to be effected as of the relevant Interest Payment Date or have been effected in the then current financial year of the Issuer would exceed the Available Distributable Items (as defined in § 3(9) of the Terms and Conditions of the Notes), provided that, for such purpose, the Available Distributable Items shall be increased by an amount equal to what has been accounted for as expenses for distributions in respect of Tier 1 Instruments (for the avoidance of doubt, including payments of interest on the Notes) in the determination of the profit on which the Available Distributable Items are based; or
- (ii) if and to the extent that a competent authority orders that all or part of the relevant payment of interest be cancelled; or
 - (iii) if and to the extent another prohibition of distributions is imposed by law or an authority or any other restriction to make distributions exists under the Applicable Supervisory Regulations; or
 - (iv) if the Issuer is over-indebted within the meaning of § 19 InsO or illiquid within the meaning of § 17 InsO on the relevant Interest Payment Date or to the extent that the relevant payment of interest would result in an over-indebtedness or illiquidity of the Issuer.
 - (v) Prohibitions and restrictions of distributions pursuant to clause (iii) above may include, but are not limited to:
 - (a) any restrictions of distributions as a result of non-compliance with any combined buffer requirement (howsoever described in the Applicable Supervisory Regulations) applicable at the time;
 - (b) any prohibition of distributions in connection with the calculation of the Maximum Distributable Amount (as defined in § 3(9) of the Terms and Conditions of the Notes);
 - (c) any limit resulting from any Maximum Distributable Amount (as defined in § 3(9) of the Terms and Conditions of the Notes); and
 - (vi) any other restriction operating as maximum distributable amount under the then Applicable Supervisory Regulations requiring a maximum distributable amount to be calculated if the Issuer and/or the Issuer's group is failing to meet any capital adequacy or buffer requirement applicable to the Issuer and/or the Issuer's group at the relevant point in time, such as the maximum distributable amount related to the minimum requirement for own funds and eligible

liabilities (M-MDA) if applicable to the Issuer at the relevant point in time.

"**Applicable Supervisory Regulations**" means the provisions of bank supervisory laws and any regulations and other rules thereunder applicable from time to time (including, but not limited to, the guidelines and recommendations of the European Banking Authority and/or the European Central Bank, the administrative practice of any competent authority, any applicable decision of a court and any applicable transitional provisions) relating to capital adequacy, solvency, other prudential requirements and/or resolution and applicable to the Issuer and/or the banking group to which the Issuer belongs from time to time.

"**Available Distributable Items**" means, with respect to any payment of interest, the distributable items as defined in Article 4(1) no. 128 CRR; at the time of the issuance of the Notes, such term refers to the annual profit (*Jahresüberschuss*) as of the end of the financial year of the Issuer immediately preceding the relevant Interest Payment Date, for which audited annual financial statements are available, plus any profits brought forward and reserves available for that purpose, before distributions to holders of own funds instruments, less any losses brought forward and any profits which are non-distributable pursuant to the applicable laws of the European Union or Germany or the articles of association of the Issuer and any sums placed in non-distributable reserves in accordance with the applicable laws of Germany or the articles of association of the Issuer, in each case with respect to the specific category of own funds of the Notes as AT1 Instruments to which the applicable laws of the European Union or Germany or the articles of associations of the Issuer relate, provided that the distributable items and the relevant profits, losses and reserves shall be determined on the basis of the unconsolidated financial statements of the Issuer prepared in accordance with German commercial law (and not on the basis of its consolidated financial statements, if any).

The determination of the Available Distributable Items shall be based on the Applicable Supervisory Regulations at the time of the determination and, accordingly, only those amounts shall be added or deducted that may be added or have to be deducted (as the case may be) for purposes of determining the amounts distributable on AT1 Instruments under the Applicable Supervisory Regulations.

For more details, see § 3(8) of the Terms and Conditions of the Notes.

Interest Payments are non-cumulative

Interest Payments are non-cumulative. Consequently, Interest Payments in following years will not be increased to compensate for any shortfall in Interest Payments during a previous year and such shortfall shall not constitute an event of default under the Terms and Conditions of the Notes.

Redemption Rights of the Issuer

The Notes may be redeemed at the option of the Issuer in whole but not in part, at their Redemption Amount (as defined in § 5(6) of the Terms and Conditions of the Notes) together with interest (if any) accrued (subject to a cancellation of interest payment pursuant to § 3(8) of the Terms and Conditions of the Notes) to, but excluding the Optional Redemption Date on the Optional Redemption Date specified in the redemption notice on any Optional Redemption Date (the first one being 22 July 2026).

The Notes may also be redeemed at the option of the Issuer in whole but not in part, at their Redemption Amount (as defined in § 5(6) of the Terms and Conditions of the Notes) together with interest (if any) accrued (subject to a cancellation of interest payment pursuant to § 3(8) of the Terms and

Conditions of the Notes) to, but excluding the date fixed for redemption on the date fixed for redemption:

- (i) at any time for regulatory reasons, if there is a change in the regulatory classification of the Notes that would be likely to result in (i) their exclusion in full or in part from the Issuer's own funds under the CRR or (ii) a reclassification as a lower quality form of the Issuer's own funds than their classification as of the issue date, provided that in respect of a redemption prior to the fifth anniversary of the issue date of the Notes the conditions in Article 78(4)(a) CRR are met, pursuant to which the competent authority may approve such redemption only if (i) it considers the change in the regulatory classification to be sufficiently certain and (ii) the Issuer demonstrated to its satisfaction that the regulatory reclassification of the Notes was not reasonably foreseeable at the issue date;
- (ii) at any time for tax reasons, if the tax treatment of the Notes, due to a change in applicable legislation or relevant jurisprudence, including any change in any fiscal legislation, rules or practices, which takes effect after the Interest Commencement Date, changes (i.e. to the tax deductibility of interest payable on the Notes or the obligation to pay Additional Amounts (as defined in § 7(1)) of the Terms and Conditions of the Notes) and, in respect of a redemption prior to the fifth anniversary of the issue date of the Notes, the conditions in Article 78 (4)(b) CRR are met, pursuant to which the competent authority may approve such redemption only if there is a change in the applicable tax treatment of the Notes which the Issuer demonstrated to its satisfaction is material and was not reasonably foreseeable at the Issue Date.

In each case, any refusal of the competent authority to grant permission shall not constitute a default for any purpose.

"Optional Redemption Date" means:

- (i) any Business Day falling in the period from and including 22 July 2026 to, but excluding the First Reset Date;
- (ii) the First Reset Date; and
- (iii) each Interest Payment Date following the First Reset Date.

In case of (i) and (ii) above, the redemption amount per Note may be less than its Original Nominal Amount due to a previous Write-down which has not been fully written-up (see "*Write-down of the Redemption Amount and the Nominal Amount of the Notes*").

Write-down of the Redemption Amount and the nominal amount of the Notes

Upon the occurrence of a Trigger Event, the Current Nominal Amount of each Note shall be reduced by the amount of the relevant write-down. If and as long as the Current Nominal Amount of the Notes is below their Original Nominal Amount, any repayment upon redemption of the Notes for regulatory reasons or for tax reasons will be at the Current Nominal Amount of the Notes and, with effect from the occurrence of such write-down, any Interest Payment will be calculated on the basis of the reduced nominal amount of the Notes.

"Current Nominal Amount" means, with respect to any Note: (i) at the issue date, the Original Nominal Amount of such Note and (ii) thereafter, the then outstanding nominal amount of such Note as reduced by any write-downs pursuant to § 5(8)(b) of the Terms and Conditions of the Notes (to the

extent not compensated by write-ups pursuant to § 5(9) of the Terms and Conditions of the Notes).

A "**Trigger Event**" occurs if, at any time, the common equity tier 1 capital ratio pursuant to Article 92(1)(a) CRR of the Issuer (the "**Common Equity Tier 1 Capital Ratio**"), determined on either (i) a solo basis or (ii) a consolidated basis, falls below 5.125 per cent. (the "**Minimum CET1 Ratio**"), provided that (x) while the Trigger Event in respect of the Minimum CET1 Ratio determined on a solo basis may occur at any time, (y) a Trigger Event in respect of the Minimum CET1 Ratio determined on a consolidated basis shall only occur if the Issuer should, in the future pursuant to the Applicable Supervisory Regulations or an administrative order, be required to comply with the prudential requirements on a consolidated basis as well and, for this purpose, to determine the Minimum CET1 Ratio on a consolidated basis. Whether a Trigger Event has occurred shall be determined by the Issuer, the competent authority or any agent appointed for such purpose by the competent authority, and such determination will be binding on the Noteholders.

Upon the occurrence of a Trigger Event, a write-down shall be effected *pro rata* with all of the Issuer's other AT1 Instruments which provide for a write-down (whether permanent or temporary) or a conversion into common equity tier 1 capital instruments upon the occurrence of such Trigger Event. If upon the occurrence of a Trigger Event other AT1 Instruments are also subject to a write-down or are subject to conversion into common equity tier 1 capital instruments, where the respective conditions provide for a trigger event at a Common Equity Tier 1 Capital Ratio level that is at or above the Minimum CET1 Ratio (together with the Notes the "**Relevant AT1 Instruments**"), any such write-down or conversion will occur in such order of application or ratio as required in accordance with the Applicable Supervisory Regulations. If no such order or ratio is required by the Applicable Supervisory Regulations, the following applies:

- (i) Any write-down pursuant to § 5(8)(b) of the Terms and Conditions of the Notes will, subject to the provision set out in the following sentence, be effected *pro rata* with all other Relevant AT1 Instruments.

The Notes and all other Relevant AT1 Instruments will in the aggregate only be written-down or (as the case may be) converted into common equity tier 1 capital instruments to the extent required to restore the Common Equity Tier 1 Capital Ratio as determined on (i) a consolidated basis and (ii) a solo basis (in each case only if and as long as the Issuer is required pursuant to the Applicable Supervisory Regulations or an administrative order to determine the ratio on such level) to the ratio provided for in their respective terms as the ratio triggering the event resulting in such write-down and/or conversion into common equity tier 1 capital instruments; provided that the total amount of the write-downs and conversions shall not exceed the sum of the outstanding principal amounts of the Relevant AT1 Instruments at the time of occurrence of the Trigger Event.

- (ii) Any other Relevant AT1 Instrument that may be written down or converted in full but not in part will, for the purposes of determining the relevant *pro rata* amounts for a write-down and calculation of the written-down amount, be treated as if its terms permit a partial write-down or conversion.

Effecting a write-down in respect of the Notes shall not be dependent on the effectiveness or implementation of a write-down or conversion of other instruments and any such non-effectiveness or non-implementation shall not

prejudice the effecting of a write-down pursuant to § 5(8)(b) of the Terms and Conditions of the Notes. For the avoidance of doubt: to the extent that the write-down or the conversion into common equity tier 1 capital instruments of one or more of the other AT1 Instruments of the Issuer is not effective or is not implemented for any reason, such non-effective or non-implemented write-down or conversion will not be taken into account when determining the written-down amount in respect of the Notes under § 5(8)(b) of the Terms and Conditions of the Notes.

The sum of the write-downs to be effected with respect to the Notes shall be limited to the aggregate Current Nominal Amount of all Notes outstanding at the time of occurrence of the relevant Trigger Event.

Following a Write-down of the redemption amount and the nominal amount of the Notes in accordance with the Terms and Conditions of the Notes described above, the Issuer will be entitled (but not obliged) to effect, in its sole discretion, from annual profits in the future an increase of the redemption amount and the nominal amount of the Notes up to their Original Nominal Amount, subject, however, to certain limitations set out in the Terms and Conditions of the Notes.

For more details, see § 5(8)(b) of the Terms and Conditions of the Notes.

Payment of Additional Amounts

If the Issuer is required to withhold or deduct at source amounts payable under the Notes on account of taxes in Germany, the Issuer will, subject to customary exemptions and to the extent this would not exceed Available Distributable Items, pay Additional Amounts on the Notes to compensate for such deduction (but not, for the avoidance of doubt, with respect to the payment of any principal in respect of the Notes). See § 7 of the Terms and Conditions of the Notes.

Form of Notes

The Notes are bearer notes (*Inhaberschuldverschreibungen*), each represented by a global note without coupons or receipts.

Listing and admission to trading

The Notes will not be listed.

Governing Law

The Notes are governed by German law.

Credit Ratings of the Notes

The Notes are expected to be rated "Ba3" by Moody's Deutschland GmbH ("**Moody's**")¹.

Selling Restrictions

There are restrictions on the offer, sale and transfer of the Notes. See the section "Selling Restrictions" under "Subscription and Sale of the Notes" below.

¹ Moody's defines "Ba" as follows: Obligations rated Ba are judged to be speculative and are subject to substantial credit risk. Moody's notes that Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms.

RISK FACTORS

The purchase of the Notes entails various risks. The following statements merely indicate the material risks associated with the purchase of the Notes. When deciding to purchase the Notes, investors should first consider their respective financial situation and their investment objectives. In this context, in addition to the other information contained in this Offering Memorandum, they should take particular account of the following risks of investing in the Notes offered.

Before making any decision to purchase the Notes, potential investors should consult with their professional advisors (including their financial, tax and legal advisors) if they consider this to be necessary.

The Notes represent general contractual and unsecured obligations of the Issuer. The fulfillment of the Issuer's payment obligations under the Notes therefore always depends on the economic situation of the Issuer and thus ultimately on the solvency of the Issuer. For example, in the event of the Issuer's insolvency, potential investors must expect to recover only a portion of their invested capital or even suffer a total loss. Potential buyers of the Notes should therefore carefully review the risks outlined below.

Potential investors should also note that the Issuer's payment obligations under the Notes – as well as other payment obligations of other issuers of bearer bonds – are not subject to any special deposit guarantee or similar private or public-law protection scheme under current law. For this reason, investors cannot expect that in the event of a partial or total insolvency of the Issuer, there will be other available funds for the fulfillment of the Issuer's obligations under the Notes.

I. RISKS RELATING TO RECENT DEVELOPMENTS

The coronavirus ("**COVID-19**") pandemic and its economic consequences could adversely affect the business, results of operations and financial position of the OLB Group.

The extent of the impact of the COVID-19 pandemic on the operational and financial performance will depend on future developments. COVID-19 could continue to adversely affect workforces, economies and financial markets globally. It is not possible at this time to predict the duration and extent of the COVID-19 impact on worldwide economic activity, and the business of OLB in particular. The continued spread of the virus and the measures taken by governments, businesses and other organizations in response could adversely impact the business, results of operations and financial position of OLB. For example, the global spread of COVID-19 has resulted in authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, social distancing requirements, curfews, quarantines and shut downs, and has led to significant and ongoing economic and societal disruption, including significant market volatility.

In Germany, which is the principal market of operation of OLB, state governments, in coordination with the German federal government, imposed "soft lockdown" measures in November 2020, which were followed by stricter measures in December 2020. These measures included extensive mask mandates, social distancing rules, shop and school closures and, depending on the region and infection numbers, curfews.

After the EU approved and started to administer various vaccines, general COVID-19 infections, hospitalizations and deaths levels have decreased throughout Europe, including in Germany, and restrictions have continuously been eased. However, the threat of new outbreaks still remains high, including the ongoing risk of various coronavirus mutants and the risk that vaccines might not be effective against certain mutations of the coronavirus.

The COVID-19 pandemic and its economic fallout have impacted economies and companies globally, also resulting in significant pressure on the financial health and security of OLB's customers, suppliers, vendors and other third parties that OLB relies upon. The spread of COVID-19 has led OLB to modify the business practices in line with German government guidelines. OLB immediately activated its crisis management team to implement the governmental guidelines into OLB guidelines and to manage unanticipated incidents resulting from COVID-19 that might impact the business: OLB restricted opening hours of the branch offices, introduced restrictions on employee travel, implemented changes to working locations, cancelled physical participation in meetings and took many more appropriate measures.

As part of the overall COVID-19 measures, the German government introduced a regulation in January 2021 (the *SARS-COV-2-Arbeitsschutzverordnung*) which requires German companies, if working from home is possible for a particular job, to offer the technical capabilities to work from home. The regulation

took effect on 27 January 2021 and was temporarily in force until 30 June 2021. In compliance with such regulation, OLB provided its employees with a virtual desktop accessible through their privately owned equipment, invited and still encourages its employees to work from home whenever possible. As a result of the shift to a remote working environment, there is a risk that business operations will be disrupted due to, among others, cybersecurity attacks or data security incidents, higher than anticipated web traffic and call volumes as well as lack of sufficient broadband internet connectivity for employees and third parties working from home.

Other measures taken by OLB in response to COVID-19 include, among others, maximum occupancy thresholds for the branch offices, defined customer numbers for each branch office based on floor space, (social distancing) rules for communal spaces such as pantries and the staff restaurant, plexiglass shields for front-office counters and surgical masks for front-office staff, and individual offices for employees who cannot work from home.

However, these measures may not be effective in preventing the spread of COVID-19 among employees. Illnesses suffered by key employees could prevent or delay the performance of critical business and financial reporting functions. In light of OLB's multichannel offering and strong dependence on the availability of its employees to continuously service customers, widespread illnesses suffered by its employees and/or the unavailability of staff may render OLB unable to perform normal business functions and operate the business on a day-to-day basis, which in turn could adversely impact the quality and continuity of service to customers and, as such, OLB's reputation and competitiveness.

In addition, the impact of COVID-19 has called, and may continue to call, into question the actions and commercial soundness of other financial institutions and has highlighted the potential impact to market liquidity. OLB also may be affected by the COVID-19 pandemic due to its direct and indirect impact on the financial condition of customers or other counterparties, including increasing the risk of impairments or defaults by customers and counterparties under loans and other contractual arrangements. By virtue of its nature and generally higher probability to be affected by the COVID-19 impact, OLB has seen, and may continue to see, increased credit risk in the Commercial Real Estate Financing and Acquisition Financing sub-divisions of the Specialized Lending division of OLB due to higher level of impairments given the particular importance of steady cash flows of the underlying businesses to be able to service the relevant loan products. If the businesses of customers or other counterparties are affected by a global decrease in economic activity, that may adversely affect their ability to meet their obligations towards OLB, which in turn may affect the results and financial condition of OLB.

The ECB announced a series of measures to contain the effects of the COVID-19 pandemic on European Union (EU) economies, including temporarily increasing banks' liquidity provisions, as well as lowering regulatory capital and liquidity requirements. As part of these temporary measures, the ECB increased its targeted longer-term refinancing operations (TLTRO III) under more favourable terms as well as its financial asset purchase program, while refraining from lowering the ultralow interest rates further. The temporary suspension of buffer requirements for regulatory capital and the liquidity coverage ratio ("LCR") gives banks, including OLB, greater flexibility and additional leeway to absorb the economic impacts, such as asset-quality declines. Overall, the package aims to help the banks continue to finance corporates and small and medium-sized businesses suffering from the effects of the COVID-19 outbreak. There is, however, no certainty that any such measures will be sufficient to enable banks, including OLB, to absorb the economic impacts from COVID-19 and there is no certainty that such measures will remain in place until the recovery proves sustainable. Further, there is no certainty that any such measures will have a positive effect on the general macro-economic conditions, including the risk that they may trigger inflationary conditions, which could in turn affect the operations and financial results of OLB.

Additionally, in May 2020, the German government announced a large economic stimulus package in an initial amount of EUR 353.3 billion as well as business guarantees of EUR 819.7 billion. The German government's support has been crucial for corporate borrowers across all German industries and in particular in industries immediately hurt by the COVID-19 pandemic such as airlines, tourism, retail and the shipping sector, as well as smaller companies experiencing weak liquidity and high leverage. At the same time, the German government made it easier to access its short-work scheme (*Kurzarbeit*) and extended it to a broader pool of workers, which has helped to keep German unemployment relatively low and partially compensated the fall in domestic consumption. OLB did not have any of its employees enrolled in the *Kurzarbeit* scheme. The German government's measures have been modified, adapted and further expanded over the course of the pandemic in accordance with the evolution of the economic effects of the pandemic. The assistance program and expected further economic packages in 2021 have reversed

Germany's conservative fiscal policies and resulted in the temporary suspension of Germany's fiscal stability policies which require generally balanced fiscal budgets. However, no assurance can be given that any such stimulus measures would be sufficient to avoid, or reduce, the deterioration of the macro-economic environment in which OLB operates.

As many of the direct and indirect effects resulting from the COVID-19 outbreaks are still active, developing and, as such, unknown, it is not possible at this time to provide a definitive estimate and/or prediction of the direct or indirect effects that COVID-19 may have on business, results of operations or financial position of OLB. Accordingly, any assessment as to underwriting or investment exposure which the Issuer in relation to the Notes makes at this time represents the Issuer's current best estimates based on risk management processes, impairments and provisioning and may be subject to significant further variation or amendment as circumstances develop or outcomes become clearer.

The factors described above could, together or individually, have a material adverse impact on business, results of operations and financial position of OLB. Its disclosures should at all times be read in the context of the evolving COVID-19 crisis and the related uncertainties, whether or not specific reference is made thereto, given the potentially pervasive and fundamental effects of the pandemic on the business of OLB.

II. RISKS RELATING TO THE ISSUER

The following describes general risk factors that affect the ability of OLB AG to fulfill its obligations as Issuer of the Notes. Investors should also note that the risk factors described below may also exist cumulatively.

In addition to the other information and risk factors contained in this Offering Memorandum, investors should consider the following specific risk factors relating to OLB AG as Issuer of the Notes when deciding on the purchase of Notes from OLB AG. Additional risks which OLB AG is currently not aware of or which OLB AG currently believes are not relevant may also adversely affect its net assets, financial position and results of operations.

The occurrence of one or more of the following risks could have a material adverse effect on the Issuer's net assets, financial position and results of operations, thereby adversely affecting its ability to meet its obligations under the Notes it issues to investors.

Issuer and Market-Related Risks

OLB is exposed to credit risk (credit risk)

OLB's business depends on its ability to successfully measure and manage credit risk. Most importantly, OLB is exposed to the risk that the principal of, or interest on, a loan will not be paid timely or at all or that the value of any collateral supporting a loan will be insufficient to cover the outstanding exposure. Credit risks can arise both through direct contractual relationships (for example, granting a loan) and indirect relationships (for example, through hedging obligations (in particular, granting guarantees or selling hedges via a credit derivative)).

Credit risk is subdivided into default risk, migration risk, liquidity and credit spread risk, country risk and warehouse risk:

- *Default risk*

Default risk relates to the potential loss inherent in the default of a business partner, whether a counterparty or another partner to a contract, or an issuer of a security; in other words, the business partner's inability or unwillingness to meet contractual obligations;

- *Migration risk*

Migration risk relates to the potential change in the present value of a claim as a result of a deterioration in the creditworthiness of the counterparty or debtor;

- *Liquidity and Credit Spread risk*

Liquidity and credit spread risk relates to the potential change in present value due to changes in liquidity spreads or credit spreads on the market;

- *Country risk*

Country risk relates to an element of credit risk defined as the assumption of a cross-border risk, in particular a transfer and conversion risk, i.e., the risk that the transfer or the convertibility of the amounts paid by the debtor will not be made or will be delayed due to payment problems as a result of official or legislative measures; and

- *Warehouse risk*

Warehouse risk relates to the risk where OLB acquires assets as part of asset management business for the benefit of third parties and such third party fails to fulfil its contractual obligations.

Negative developments in the economic environment of customers or counterparties, competitive influences, and errors in corporate management can increase the probability of default by customers or counterparties, and thus the credit risks.

OLB is exposed to credit risk, in particular in relation to the lending operations to retail and corporate customers but also other activities such as the trading and settlement activities where a third-party who owes OLB money, securities or other assets is unable or unwilling to perform their obligations to OLB. The exposure of OLB to concentration effects in its lending portfolio across its three business divisions has historically been limited. However, it cannot be ruled out that counterparty defaults could be amplified within the same economic sector or region due to the interdependence effects of these counterparties. Credit default has greater risk and has been historically higher during periods of economic downturns, which in turn results in a deterioration in the financial situation of OLB's customers or increase in corporate and personal insolvencies. However, counterparty risks may also be triggered by a change in accounting standards or regulatory requirements. To that effect, banks in Germany will have to implement a new accounting standard (BFA 7) with respect to the measurement of general loan loss provisions in the beginning of 2022. Depending on the methodology OLB will choose, the application of this new standard could lead to an increase of the necessary general loan-loss provisions (GLLP). The impact of this new accounting standard remains uncertain and may adversely affect the operations, liquidity and financial position of OLB.

At present, the credit risk is further exacerbated by the continuing COVID-19 pandemic and its impact on the operating environment and the overall macroeconomic outlook, which may result in increased impairment provisions, impairments and write-downs. Bank supervisory authorities and various governmental authorities are urging financial institutions to work prudently with borrowers who are or may be unable to meet their contractual payment obligations because of the effects of COVID-19, which may limit the ability of OLB to recover any non-performing exposures. The inability to successfully manage the increased credit risk caused by COVID-19 could have a material adverse effect on the business, results of operations and financial position of OLB. As such, losses may be realized in the event of default by one or more counterparties, particularly if OLB encounters legal or other difficulties in enforcing its collateral or if the value of this collateral is not sufficient to fully recover the exposure in the event of default.

The occurrence of any of the above or a failure by OLB to manage these risks effectively could have a material adverse effect on the business, results of operations and financial position, and, if severe or prolonged, the prospects of OLB.

OLB measures, manages and reports its credit risk in accordance with applicable laws, regulations and best practices and based on the established procedures, record provisions for its loan portfolio in general, and doubtful and non-performing loans in particular, in order to anticipate the occurrence of losses.

In light of such risks, OLB has adopted procedures, rules and principles aimed at monitoring and managing credit risk at both the individual and overall portfolio level. The amount of provisions is based on the most accurate assessment available at the time the recoverability of an exposure is assessed. However, even with the monitoring and management of credit risk, OLB's exposure to credit risk could exceed predetermined levels. Therefore, any (i) decline in the creditworthiness of, or errors in assessing the creditworthiness of,

borrowers and counterparties, (ii) failure of borrowers and counterparties to make, or their irregularity in making, loan payments or (iii) deterioration in the value of collateral and the inability to successfully and timely enforce rights over collateral, could materially adversely affect the business, financial condition or results of operations of OLB.

OLB monitors specific credit risks carefully that may have material adverse effects on the Issuer's net assets, financial position and results of operations. For example:

- *Non-performing loans*

For the years ended 31 December 2020, 2019 and 2018, non-performing loans ("NPLs") were EUR 418.4 million, EUR 380.5 million and EUR 377.1 million, respectively (representing 2.7%, 2.5% and 2.7%, respectively, of all receivables from customers). The NPL Coverage Ratio for the years ended 31 December 2020, 2019 and 2018 amounted to 74.8%, 85.8% and 96.8%.

OLB accounts for loan defaults of its borrowers by making both specific and portfolio risk provisions in its financial statements. However, as a result of deteriorating economic conditions and increases in the number of impaired loans, should the actual credit risk exceed current estimates based on which the provisioning has been determined, the loan loss provisions could be insufficient to cover such losses. This could have a material adverse impact on the business, results of operations and financial position of OLB.

- *Market volatility/Devaluation of real estate collateral*

As of 31 December 2020, EUR 7.4 billion out of the EUR 15.5 billion receivables of OLB from customers are secured by mortgages. Most of the real-estate collateral is comprised of liens on residential and commercial property, in particular in Northwest Germany. As a result, a potential downturn in economic activity and consequently in the real estate market could adversely affect the value of OLB's collateral pool.

When extending credit, OLB undertakes a comprehensive risk assessment based on statistical creditworthiness procedures that takes into consideration the value of collateral. The same policy applies to lending backed by residential or commercial real estate. However, any economic downturn in Germany, including a decline in the value of real estate, an increase in unemployment or a decline in general economic activity, all factors which carry heightened risks due to the uncertainty of the ongoing COVID-19 pandemic, could adversely affect the collateral coverage of the loan portfolio of OLB and cause increased impairment losses. Additionally, generally unfavorable market conditions, including in real estate market, may affect the ability of OLB to sell the collateral on favorable terms or at all. As a result, devaluation of collateral may have an adverse effect on the business, results of operations and financial position of OLB.

- *Commercial real estate finance portfolio*

OLB's commercial real estate portfolio is currently used as office space to support the operations of OLB and is carried at amortized cost in its accounts. OLB expects that a significant portion of the workforce of OLB may prefer to continue to work remotely even after the restrictions implemented in response to the COVID-19 pandemic have been lifted and the pandemic ends and, as such, it is likely that the need for office space will decrease and that OLB may need to sub-lease and/or sell additional office space. The carrying value of the buildings potentially affected ranges from EUR 1.7 million to EUR 2.4 million as of December 2020 depending on the final selection of properties. Additionally, a substantial portion of the loans of OLB are secured by interests in real property. OLB intends to reduce its branch network and the provisions included in relation to the early termination of the applicable lease agreements may not be sufficient to cover all related costs.

Market prices of commercial property, as well as the number of transactions in the commercial real estate sector, may decline after several years of price increases, which in turn may result in decreased transaction volumes and margins for companies operating in the sector, an increase in commitments resulting from financial expenses, as well as greater difficulties in refinancing, all of which have had negative consequences on their profitability, which in turn could negatively impact

their ability to repay the loans OLB has granted to real estate developers through its Commercial Real Estate Financing sub-division.

Market price fluctuations and volatility in respect of real estate prices may result in the need to write down the value of real estate owned by OLB or its inability to sell or sublease the relevant property on favourable terms or at all. A decline in the value or the need for (further) depreciation of the real estate portfolio, but also general unfavourable real estate market conditions may have an adverse effect on the business, results of operations and financial position of OLB.

OLB is exposed to a large number of different market risks (market risk)

OLB is, directly and indirectly, affected by changes in market conditions. Market risk refers to the risk that OLB may suffer losses due to changes in market prices or the parameters influencing market prices (for example, share prices, interest rates, exchange rates or prices of raw materials, precious metals and real estate, as well as the volatility of these parameters). Market risk is inherent in the financial instruments associated with the operations and activities of OLB, and includes changes in value that result from the specific illiquidity of sub-markets if, for example, the purchase or sale of large items within a specified timeframe is only possible at prices that are not standard for the market.

OLB's primary categories of market risk include: interest rate risk (arising from changes in yield curves, credit spreads and implied volatilities on interest rate options), foreign exchange risk (arising from changes in currency exchange rates and implied volatilities on foreign exchange options), equity risk (arising from changes in the prices of equities, equity indices, equity baskets and implied volatilities on related options), and fluctuations (volatility) in any of these parameters.

Interest rates are highly sensitive to many factors beyond the control of OLB, including inflation and monetary policies, as well as domestic and international economic and (geo-)political conditions. Changes in monetary policy, including changes in interest rates, often result in decreasing margins and consequently in decreasing net interest income earned by OLB from lending and money market transactions, as well as from bonds and fixed-income securities, unless compensated by an increase in customer loan volumes. At the same time, reductions in interest rates and margins may not affect the financing costs to the same extent as they affect interest rates and margins on loan and financing transactions of OLB, as well as from fixed-income securities held by OLB, because a credit institution's ability to make a corresponding reduction in the interest rate and margin it pays is limited, in particular when interest rates on deposits are already very low.

The European and German interest rate environment has seen a prolonged period of low and even negative interest rates. The ECB lowered its deposit rate to -0.5% in September 2019 continuing to stimulate economic activity, stabilize banking systems suffering from non-performing loans, and manage exchange rates. The ECB's interest rate policies have changed materially in the last years introducing targeted long-term refinancing operations and various asset purchase programs. The impact on banks of negative interest rate policies is more pronounced on a bank like OLB, focused on domestic loans and deposits, than larger multi-national banking conglomerates. Effects on the banking business of OLB includes the effect of offering 0% interest on deposits while short-term market interest rates are negative as well as repercussions on the interest margin business of OLB. Negative interest rates have resulted in a direct decline in interest margins, and therefore in a general decrease in profitability of the banking sector as competition between banks and the option for customers to hold liquidity in cash have not allowed for the negative interest rates to be passed on to individual customers.

A low interest rate environment may also affect the ability of OLB to originate loans and obtain deposits as well as the average duration of its securities portfolio. Low interest rates also tend to lead to an increased risk appetite of some participants in the banking and financial system, lower risk premiums compared to their historical average and high valuation levels of certain assets. Additionally, legal provisions may lead to restrictions on charging negative interest rates on deposit accounts and credit customers may be motivated in such circumstances by low or negative interest rates to fully repay their indebtedness prior to maturity date at no cost or premium. Furthermore, a low or negative interest rate environment results in increased costs of maintain the regulatory and prudential liquidity buffers held in cash and low yield liquid assets.

OLB may not be able to accurately predict the likelihood, nature and magnitude of market interest rate changes or how and to what extent such changes may affect its business. OLB also may not be able to

adequately prepare for, or compensate for, the consequences of such changes. Any failure to predict and prepare for changes in interest rates, or adjust for the consequences of these changes, may adversely affect the earnings and capital levels and overall business, results of operations and financial position of OLB.

OLB measures interest rate risk under various rate scenarios and using specific criteria and assumptions in accordance with its risk strategy. OLB believes its current level of interest rate sensitivity is reasonable and effectively managed, however, significant fluctuations in interest rates, which may have an adverse effect on business, results of operations and financial position of OLB cannot be predicted or controlled. In addition, should the negative interest rate environment further develop unfavourably, this may adversely affect the earnings and capital levels and overall business, results of operations and financial position of OLB.

The risk from the non-trading portfolio derives primarily from changes in interest rates. Currently, OLB limits open foreign-currency positions to EUR 1 million. These open foreign currency positions result from its customer lending business (for example, margins in foreign currencies, foreign notes and coins business, securities business). As such, this risk is currently limited but may increase in the future if the policies and practices of OLB evolve. Additionally, OLB limits risks from holdings in foreign cash, precious metals and commodities to EUR 2 million.

Failure to manage market risks effectively, and/or the occurrence or continuance of unexpected events resulting in significant market dislocation could have a material adverse effect on the business, results of operations and financial position and, if severe or prolonged, the prospects of OLB.

Unless market risk positions are secured by hedging to stay in line with OLB's risk bearing ability and the limits defined in OLB's risk strategy, unforeseen market developments may have a significant impact on the effectiveness of hedging measures. Instruments used to hedge interest and currency risks can result in losses if the underlying financial instruments are sold or if valuation adjustments must be undertaken. Gains and losses from ineffective risk-hedging measures can increase the volatility of the results of operations generated, which could have a material adverse effect on business and financial condition.

Risk of a rating downgrade

OLB may be assigned a rating which is different to market perception and adversely impacts its credit spreads. Factors leading to any such downgrade or change in outlook may not be within its control (for example, the deterioration of macroeconomic assessments, including as a result of COVID-19, regulatory changes, the exercise of subjective judgement by the rating agencies, a change in the methodology or a change in approach used by the rating agencies to rate OLB or securities of OLB).

The more OLB's credit rating is downgraded by the rating agencies, the more OLB's profitability may fall, increasing the likelihood that holders will suffer a partial or even total loss of the capital they have invested.

OLB is subject to the risk of being unable to meet current or future payment obligations at all, in a timely manner or only at unacceptably high costs (liquidity risk)

OLB is exposed to liquidity risk. Liquidity risk refers to the risk that OLB will not be able to obtain sufficient funding on the expected terms to meet its payment obligations (refinancing risk). Payment obligations result, among other things, from the calling of cash deposits, the fulfillment of trading transactions, interest payments or the provision of loans. OLB's refinancing options may be severely impaired by disruptions in the national and international money markets.

In addition, there may be a risk of not being able to liquidate or close out transactions, or only at a loss, because of inadequate market depth or market disruptions (market liquidity risk).

A negative outlook and/or further negative ratings, may, in particular in combination with an expectation of a worsening of the economic environment, lead to a substantial volume of customer deposits being withdrawn.

Further, a recession can lead to higher defaults and to an increase of credit facilities usage.

Such liquidity risks can have a material adverse effect on OLB's net assets, financial position, and results of operations. The less liquidity OLB has available as a result of the materialization of funding or market

liquidity risk, the greater the likelihood that holders will suffer a partial or even total loss of their invested capital.

The markets in which OLB is active, are characterized by intense competition on price and on transaction terms, which results in considerable pressure on margins

OLB faces substantial competition in all phases of its operations from a variety, and increasing number, of different competitors. OLB is subject to significant competition from regional, cooperative and other local banks as well as international (digital) banks and payment institutions carrying on similar business as OLB's in the markets in which OLB operates, including competitors that may have greater financial and other resources or who may not be subject to the same degree of regulation as OLB is. In particular in the Private Customers division of OLB, these banks compete for substantially the same customers and in order to remain competitive, OLB may not realize the margins in certain markets which it would otherwise have expected or desired. Consolidation in the financial services industry could result in the competitors benefiting from greater capital, resources and an ability to offer a broader range of products. In this respect, the main competitors of OLB are Sparkasse savings bank and Volksbank cooperative banks, and also private large-scale banks, state banks, insurance and building societies.

Additionally, OLB also expects increased competition from new entrants, such as FinTechs, in the relevant product or geographic markets and existing competitors may combine to increase their existing market presence or market share. Competition is also enhanced by the emergence of such non-banking actors which, in some cases, may benefit from a regulatory framework that is more flexible and in particular less demanding in terms of equity capital requirements.

Driven by such new market participants and the increasing trend of digitalization, new services that are automated, scalable and based on new technologies (such as blockchain) are developing rapidly and are fundamentally changing the relationship between consumers and financial services providers, as well as the function of traditional retail bank networks. Competition with these new actors could also be exacerbated by the emergence of substitutes for central bank currency, including crypto-currencies and digital central bank currency. In this context, additional investments may be necessary for OLB to be able to offer new innovative services and to be competitive with these new actors. In addition, certain of its competitors may have access to lower cost funding and be able to offer loans on more favourable terms than us.

The above risks, individually or in combination, may have a material adverse effect on the business, results of operations and financial position of OLB.

OLB faces risks in managing its organic growth and expansion strategy

OLB's expansion strategy relating to its product portfolio, partnership and geographic expansion strategy, by way of organic growth as well as by already completed and future acquisitions is subject to certain risks. OLB's continued growth is dependent upon a number of factors, including the ability to develop efficient internal monitoring and control systems, the ability to develop and implement "best practices" in response to day-to-day business challenges, the ability to secure adequate financing to successfully establish operations in new markets, the ability to turn new operations profitable within the expected time after market entry, the ability to correctly assess legal and regulatory requirements in targeted markets and monitor on-going changes in existing markets, the ability to develop and maintain adequate and secured IT-platforms, the ability to successfully integrate any operations already acquired or which may be acquired in the future, the ability to identify and overcome cultural and linguistic differences which may impact market practices within a given geographic region and other factors, some of which are beyond OLB's control. OLB may not be able to effectively manage the expansion of its operations or OLB's current personnel, systems, procedures, and controls may not be adequate to support OLB's future operations. This may have material adverse effects on the Issuer's net assets, financial position and results of operations.

OLB may not benefit from its strategy, or may be able to do so only in part or at a higher cost than planned, and the implementation of planned measures may not lead to the achievement of the desired strategic objectives

Changing conditions in the financial industry in the coming years may require substantial strategy adjustments and may result, for example, in higher costs than planned or reduced earnings. While OLB is constantly reviewing and adapting its strategy, its current and revised future strategy may prove ineffective.

As a result, OLB may not benefit from its strategy or may be able to do so only in part or at a higher cost than planned.

Key assumptions underlying OLB's strategy may prove to be partly or fully incorrect as a result of which some or all of the targets may not be reached. For example, the desired growth in customers and business volume may not be achieved, in particular, due to intense competition.

Cost-saving measures may not be achieved or may prove ineffective, thereby also threatening the achievement of its strategic objectives. Further increasing regulation may lead to higher investments in documentation, risk-related models, customer advisory and governance structures.

Even if OLB's strategic goals are achieved, OLB's risk result could still increase by adverse market developments.

OLB is exposed to a large number of operational risks (also known as non-financial risks)

OLB is exposed to operational risk, i.e. the risk of losses due to the inadequacy or failure of internal procedures, persons or systems or due to external events that affect OLB. OLB has a system to manage operational risks, comprising a collection of policies and procedures for controlling, measuring and mitigating OLB's operational risks. These measures could prove to be inadequate to cover all types of risk that could occur, resulting in one or more such unforeseen risks materializing.

Risks under the "operational risk" category include:

- *IT and information security risk*: the risk that a loss might arise from the disclosure, manipulation or lack of accessibility of IT systems or information, even more so in light of the digitalization trend that characterizes the financial industry;
- *Reputation risk*: the risk of a loss of reputation among the general public, shareholders, (potential) customers, employees, business partners, and the supervisory authorities with regard to OLB's capability, integrity and trustworthiness because of adverse events that occur in the course of the business activities of OLB;
- *Conduct risk*: the risk of criminal acts on account of internal misconduct, such as theft, corruption offenses or antitrust violations;
- *Model risk*: the potential for loss resulting from the incorrect prompting of management acts because of an improper application of a model, its unsuitability for the application, unsuitable or incorrect input parameters, or internal inconsistencies in the model (the model being outdated or improperly formed);
- *Legal risk and risk of legal changes*: the risk that damage might be incurred because of a complete or partial non-compliance with the legal framework prescribed by statute, regulations and case law (and/or litigation resulting therefrom). The risk of legal changes represents the risk for transactions concluded in the past on account of a change in the legal situation (changes brought about by court rulings or legislative amendments) as well as the risks that might arise due to inadequate or nonexistent implementation of legal basis entering into force in the future (please also refer to "*Legal and Regulatory Risks*" below);
- *Compliance risk*: the risk of criminal or administrative law penalties, fines and other financial losses or reputational damage as a result of violations of legal and administrative regulations, regulatory orders, codes of conduct/ethics in connection with the regulated activities of OLB and violations of investor/consumer protection;
- *External misconduct*: the risk of losses based on other criminal acts of third parties;
- *Outsourcing risk*: the risk of deficient or limited service provision by external service providers for key banking functions; and
- *Project risk*: the risk relating to harm that may potentially be caused by delays, cost increases, or losses of quality, or the failure of a project.

In 2020, operational losses resulted from human errors in the securities transactions of OLB for customers, liabilities relating to its securities consulting activities with private customers, fraud within paper-based transfers, physical damage inflicted on ATMs (for example, through explosions and attempts thereto) and costs resulting therefrom (such as an increase in insurance premiums or other repair costs), and expenses and efforts made to minimize the risk of infections for employees and customers in the wake of the COVID-19 pandemic.

OLB seeks to manage operational risks in a timely and effective manner through a framework of policies and standards; however, the occurrence or continuation of one or more of the foregoing operational risks which are inherent in the banking activities of OLB, or any failure to manage one or more of such risks effectively, may have a material adverse effect on the business, results of operations and financial position of OLB.

OLB may incur losses as a result of unforeseen or catastrophic events, including sanitary crises, terrorist attacks or natural disasters.

OLB remains dependent on its natural and social environment. The occurrence of a new epidemic or pandemic crisis (such as the COVID-19 crisis) or a crisis related to the pollution of the natural environment could have a significant impact on the activities of OLB. Also, terrorist attacks, natural disasters, extreme weather conditions, or major social unrest could disturb its activities. Such events could create economic and financial disruptions or lead to operational difficulties, including travel limitations or relocation of affected employees. These events could impair the ability of OLB to manage its businesses and also expose its banking activities to significant losses and increased costs.

There may be unknown or unrecognized risks to OLB, and it cannot be ruled out that the risk management system will prove to be inadequate or fail and that risks will be realized in connection with OLB's business operations

Although the Issuer believes that OLB has an adequate risk management system in place, there may be unknown or unrecognized risks to OLB, and it cannot be ruled out that the risk management system will prove to be inadequate or fail in the future, which would have consequent adverse effects on its business operations and the Issuer's net assets, financial position and results of operations.

Legal and Regulatory Risks

Legal disputes may arise in connection with OLB's business activities, the outcomes of which are uncertain and which entail risks for OLB

In the course of normal business operations, and in its capacity as an employer, investor and taxpayer, OLB is exposed to the risk of proceedings in the courts and before regulatory bodies.

There are also other legal disputes in which OLB is not directly involved, but which could have an impact on OLB due to their fundamental importance for the banking industry.

These legal proceedings are characterized by a large number of uncertainties and it is not possible to predict their outcome with certainty. Consequently, risks associated with them may in certain cases be difficult to quantify, or may not be quantifiable at all. OLB recognizes provisions for potential losses from contingent liabilities in accordance with, and to the extent permissible under, applicable accounting rules. However, OLB's final actual liability may differ from the provisions that have been recognized, as a high degree of judgement is involved in assessing the probability of uncertain liabilities in such legal proceedings and quantifying them. These estimates may turn out to be inaccurate at a later stage of the proceedings. It is therefore possible that losses resulting from pending or potential proceedings will exceed the provisions recognized, which may have material adverse effects on the Issuer's net assets, financial position and results of operations.

In particular, starting in 2018, the Federation of German Consumer Organizations (*Verbraucherzentrale Bundesverband*) has initiated proceedings against various credit institutions in relation to amendment clauses in standard terms and conditions, which were and are widely used by banks in Germany, including by OLB. Such clauses provide that amendments to the standard terms and conditions may be proposed to the customers no later than two months before their proposed date of entry into force. If the customers do not expressly object prior to the proposed effective date, they are deemed to have consented to the proposed amendments. According to these clauses, the credit institutions are required to draw the customers' attention

to the effects of the implied consent and customers (only) have the option to terminate the contract if they object to the amendment. However, on April 27, 2021, the Federal Court of Justice (*Bundesgerichtshof*) held that such amendment clauses are invalid because they violate German standard contract terms laws on the basis that, without any restriction as to the potential content and subject matter of amendments, such standard terms and conditions allow the relevant credit institution to amend the contract considerably in its favour and therefore unreasonably disadvantages the customers. The German banking associations have stated that they will evaluate the decision and its consequences in a timely manner and develop proposals for appropriate measures by German credit institution using such contracts.

The German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"*) obliges credit institutions to inform premium savings customers about ineffective interest rate adjustment clauses. To this end, it published a general ruling on 22 June 2021. The affected institutions must also explain to savers whether they have received too little interest due to the clauses used. In these cases, the banks must either irrevocably assure their customers of an interest rate recalculation or offer an amendment agreement with an effective interest rate adjustment clause that takes into account the case law of the Federal Court of Justice (*Bundesgerichtshof*).

Further, the German Federal Cartel Office (*Bundeskartellamt*) has recently found that parts of the terms and conditions for online banking of 2009 (*Bedingungen für das Online-banking des Jahres 2009*) are in violation of antitrust law. As a result, companies that are allegedly adversely affected by this, for example payment initiation services or online retailers, could file claims for damages against the *Kreditwirtschaftliche Verbände* and their member institutions, one of which is OLB. Such claims can reach a considerable amount.

Changes in the legal environment may lead to increased costs and thus to an impairment of the Issuer's net assets, financial position and results of operations

The density of regulation in OLB's areas of activity is high, and new regulations encumbering business operations could reduce its profitability. Stringent minimum capital requirements (in terms of quantity and quality) for credit institutions such as OLB result from European legislation, in particular the CRD IV (as defined below), as amended, supplemented or replaced from time to time, most recently by CRD V (as defined below), the related German implementation laws and the CRR (as defined below), as amended, supplemented or replaced from time to time, including in particular by the CRR II (as defined below).

In relation to minimum capital requirements, the BaFin, the Bundesbank and other competent regulatory authorities have an extensive administrative surveillance authority over many aspects of the financial services business, including, without limitation, liquidity, capital adequacy and permitted investments, requirements to maintain minimum reserves with the Bundesbank, market behavior requirements, organizational requirements, anti-money laundering, privacy, record keeping, as well as marketing and selling practices. The businesses of OLB are subject to a complex framework of banking and financial services laws and regulations, and the regulatory framework is subject to permanent developments and changes in legislation or administrative practice. These elements increase the associated legal and regulatory risks, including risk of non-compliance. Compliance with amended or newly imposed rules may, further, lead to an increase in administrative expenses, cost of compliance and reporting and consequently to higher cost ratios for OLB and ultimately can make products or services more expensive for customers.

Legislators also frequently adopt changes to their regulations, and substantial regulatory and legislative initiatives are possible in the future. OLB is unable to predict whether any new initiatives will succeed, which form they will take, or whether any additional changes to laws or regulations, including the interpretation or implementation thereof, will occur in the future. The ongoing monitoring and implementation of new or amended legal requirements may result in significant compliance and operational costs and expenses for OLB and any breach, actual or alleged, of such rules and requirements may result in regulatory consequences, fines, legal and reputational risk. Any changes or enforcement actions in connection with banking and financial supervision and/or the inability to comply with the extensive banking and financial supervision and legal requirements may result in an adverse effect on the long term profitability of OLB and could have a material adverse effect on the business, results of operations and financial position of OLB.

OLB's main tax risks are related to changes to or possible erroneous interpretations of tax legislation. Such changes or erroneous interpretations could lead to tax increases or other financial losses. Realization of

such risks might have a material adverse effect on OLB's business, financial condition and results of operations.

In addition, corporate income tax, value added tax, sales taxes and other taxes levied upon on OLB's business are subject to change and can be increased, changed or completely restructured at any time. Changes to local tax regimes or challenges to the current tax structure of OLB and may have material adverse effects on the Issuer's net assets, financial position and results of operations.

Risks in connection with measures under the German Banking Act (*Kreditwesengesetz* – "KWG")

BaFin may take measures against the Issuer in accordance with sections 45 et seqq. of the KWG. As part of a so-called moratorium, BaFin has the power to temporarily issue a ban on the sale and payment to the institution, order the closure of the institution for customer business, and, under certain conditions, prohibit the acceptance of payments.

Such measures may result in the partial or total loss of the invested capital for holders of the Notes.

OLB may fail to successfully manage the diverse sets of regulatory requirements it is subject to, particularly requirements under the EU Capital Requirements Directive (2013/36/EU), as amended by the EU Capital Requirements Directive (2019/878/EU), and the Capital Requirement Regulation (575/2013), as amended by the EU Capital Requirements Regulation (2019/876/EU), and may face regulatory problems entering into new markets

OLB is subject to capital adequacy regulations, which aim to put in place a comprehensive and risk-sensitive legal framework and to ensure enhanced risk management among financial institutions. OLB AG must at all times reach the capital requirements in accordance with the EU Capital Requirements Directive (2013/36/EU) ("**CRD IV**"), as amended by the EU Capital Requirements Directive (EU) 2019/878 ("**CRD V**"), and the Capital Requirements Regulation (575/2013) ("**CRR**"), as amended by the EU Capital Requirements Regulation (EU) 2019/876 ("**CRR II**"). CRD IV and CRR have imposed significant changes for financial institutions in terms of minimum capital requirements and capital buffers.

Since 1 January 2018, OLB has to meet a minimum LCR of 100%. Since its full implementation, the net stable funding ratio ("**NSFR**") no longer imposes sole reporting obligations, but establishes minimum quotes calculated on the basis of the ratio of available funding resources across all maturities to the funding required. Furthermore, the applicable regulatory regime is in constant change. As such, following the implementation and effectiveness of CRR II, starting from June 2021 and following further guidance from the European Commission and the EBA, OLB will have to comply with a leverage ratio of at least 3%. Liquidity and leverage ratios limit the operational business of OLB and can, in case OLB fails to comply with these ratios or any future changes to them, result in actions by BaFin, the Bundesbank or any other competent regulatory authority.

Pursuant to the CRR II, banks are required to maintain a minimum ratio of Tier 1 capital (being the sum of OLB's Common Equity Tier 1 capital and its Additional Tier 1 capital) to RWAs of 6% and a minimum ratio of Common Equity Tier 1 capital to RWAs of 4.5%. The minimum total capital ratio of own funds (being the sum of OLB's Tier 1 capital and its Tier 2 capital) to RWAs is 8%.

The KWG requires banks to maintain a mandatory capital conservation buffer (Common Equity Tier 1 capital amounting to 2.5% of RWAs), and authorizes BaFin to require OLB to build an additional countercyclical buffer during periods of high credit growth. In July 2019, the additional countercyclical buffer has been set by BaFin to be 0.25%, but has subsequently been revoked in April 2020 as a result of the COVID-19 crisis. In addition, BaFin may require banks to build up a systemic risk buffer (Common Equity Tier 1 capital of between 1% and 3% of RWAs for all exposures and, in exceptional cases, up to 5% for domestic and third-country exposures) as a matter of prevention against long-term non-cyclical systemic or macro-prudential risks, in particular if risk aspects are not fully covered by the capital requirements under the CRR II or if the risk-bearing capability is endangered.

As of 31 December 2020, the ratio of OLB's Tier 1 capital and Common Equity Tier 1 Capital to RWAs amounted to 12.7% and 12.2%, respectively (as compared to 12.3% and 11.8% as of 31 December 2019, and 11.9% and 11.4%, as of 31 December 2018). OLB's total capital ratio of its own funds to RWAs was 14.2% as of 31 December 2020 (as compared to 14.1% and 14.5% as of 31 December 2019 and 31 December 2018, respectively).

In addition to CRR II and CRD V, OLB is subject to the rules published in BRRD, as amended, including in particular by Directive (EU) 2019/879 of the European Parliament and of the Council amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC ("**BRRD 2**"). BRRD was transposed into German law primarily by the SAG. On 28 December 2020, amendments to the existing Minimum Requirement for Eligible Liabilities ("**MREL**") rules and the scope of application of a statutory minimum requirement started to apply as part of the amendments to the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz – "SAG"*) resulting from BRRD 2.

OLB, with a balance sheet total of EUR 21.5 billion (as of 31 December 2020), does not automatically fall in the new category of so-called top tier banks and, therefore, will not automatically be subject to the group of banks for which a statutory minimum requirement will apply, the resolution authority could determine that such statutory requirement is to be applied if it views OLB as being likely to pose a systemic risk in the event of failure. Further, the resolution authority will continue to set an institution-specific MREL. OLB is not currently subject to the general requirement to meet its MREL with subordinated liabilities (i.e., such liabilities which are junior to certain other liabilities), however, the resolution authority will decide the amount up to which the institution-specific MREL will have to be met using subordinated capital. Compliance with these requirements may lead to an increase in administrative expenses, cost of compliance and reporting and consequently to higher cost ratios for OLB.

Non-compliance or imminent non-compliance with own funds, MREL or liquidity requirements triggers numerous powers of the competent regulatory authorities. Apart from the ability to issue orders in relation to the business activities of OLB and various other powers (for example, orders for capital adequacy improvements or measures in relation to the institution's management), a competent authority, depending on the particular circumstances of the case, might, as a means of last resort, have the power to withdraw the banking permit or to issue an order that OLB has to be dissolved and liquidated. Moreover, non-compliance with own funds requirements, either actual or imminent, may trigger the commencement of recovery or resolution proceedings, which may involve, but are not limited to, the mandatory exercise of write-down or conversion powers.

The occurrence or continuance of any of the above risks could have a material adverse effect on the business, results of operations and financial position of OLB.

OLB may fail to comply with the regulation on measures against money laundering and terrorist financing

OLB's business is subject to an increasing number of rules and regulations applicable to the financial sector on the prevention of money laundering, the financing of terrorism, corruption and international sanctions. These risks are inherent in the operations of OLB and may arise from, among other things, the offering of different banking products via multiple channels across regions to diverse customer types, the increased digitalization, OLB's defenses being overcome by criminals and/or regulators assessing deficiencies in its design and/or governance over controls operating across its customer or counterparty due diligence and surveillance.

OLB seeks continuously to enhance its approach in preventing money laundering, combating terrorist financing, complying with sanctions and mitigating internal and external fraud risk through its internal controls. Among others, OLB evaluates its customer base on an ongoing basis and assess the potential risk level of each customer based on internal risk scoring system, which is periodically reevaluated and updated. OLB also monitors transactions according to predefined scenarios and thresholds that are based on legislative requirements, international standards, industry guidance and internal assessment of risks, all of which are periodically re-evaluated and updated.

OLB continues to adapt to incorporate new risk indicators for its financial crime compliance controls. However, there is no guarantee that such adaptations will be effective in addressing all financial crime risks (including those related to COVID-19).

Any past, present or future (factual or even just alleged) non-compliance with or breach of the anti-money laundering rules regulations, or other financial crime, or any failure to manage one or more such risks effectively, may have severe negative legal and reputational consequences on OLB as well as a material adverse effect on the business, results of operations and financial position of OLB.

OLB may fail to comply with the banking secrecy, privacy and data security regulations

Evolving banking secrecy, privacy and data security regulations could damage OLB's reputation and cause losses. Regulatory authorities around the world have implemented or are considering a number of legislative changes or regulations concerning data protection and cybersecurity which have required or may require OLB to incur additional expenses.

OLB is subject to German and European laws governing the protection of personal and confidential information of its customers or employees, which include the General Data Protection Regulation ("**GDPR**"), a directly applicable EU regulation, and the Federal Data Protection Act (*Bundesdatenschutzgesetz* – "**BDSG**"). The BDSG principally includes implementation details and rule specifications that the GDPR has delegated to the EU member states to implement on a national level. In addition, OLB is subject to the requirement of banking secrecy, which applies through its general terms and conditions and contractual agreements with its customers.

OLB must also comply with the rules of directives dealing with electronic communications and processing of client data, EU Directive 2002/53/EG dated July 12, 2002 and EU Directive 2009/136/EG. These directives govern various parts of online dealings and electronic communication with customers. Since 2017, the EU has discussed a new ePrivacy-Regulation with drafts of such regulation published by the EU Commission and the EU Parliament in 2017. The ePrivacy-Regulation, once implemented, will introduce a more comprehensive set of rules for online privacy for customers. As of November 2020, EU member states have, however, not agreed to a compromise text. However, the ePrivacy-Regulation, if enacted, would result in a two year implementation process and will therefore not take effect in Germany before 2023.

The most important privacy regulation governing privacy matters in relation to OLB's employees and customers is the GDPR, alongside its implementation provisions in the BDSG. The GDPR regulates data protection for all individuals within the European Union, including foreign companies processing data of EU residents, it enhances individuals' rights, introduces complex and far-reaching company obligations and increases penalties significantly in case of violation. The GDPR sets out a number of requirements that must be complied with when handling personal data, including the obligation to appoint data protection officers in certain circumstances and the principal of accountability and the obligation to make public notification of significant data breaches.

In particular, in Germany, which is the principal market of OLB, the interpretation and implementation of data protection laws have been a major topic in the mass media and are a constant part of the public political discussion. It is possible that these laws or cybersecurity regulations may be interpreted and applied in a manner that is inconsistent with OLB's data protection or security practices. If so, in addition to the possibility of fines, reputational damage due to negative press exposure and a potential loss of client trust in OLB, this will result in an order requiring that OLB changes its data practices, which could have an adverse effect on the business, results of operations and financial position of OLB. Complying with these various laws will cause OLB to incur additional costs and could require OLB to change its business practices.

The business of OLB is also subject to rules and guidelines published by BaFin in relation to the MaRisk and BAIT which include a substantial number of rules and guidelines relating to banks on how to handle IT and banking operational risks. These rules and guidelines have an impact on how OLB implements data protection laws in its IT and operational systems.

OLB strives to comply with all applicable data protection laws and regulations, however, it is possible that OLB fails to comply with all such applicable laws and regulations. The failure or perceived failure to comply may result in inquiries and other proceedings or actions against OLB by government entities or others, including monetary fees, or could cause it to lose customers or cause damage to its reputation, which, in turn, could potentially have an adverse effect on the business, results of operations and financial position of OLB.

European and German recovery and resolution legislation may have regulatory consequences that could restrict OLB's business activities and lead to higher refinancing costs.

The BRRD and the single resolution mechanism ("**SRM**") supported by the single resolution fund (the "**SRF**") established by Regulation (EU) No. 806/2014 of July 15, 2014, as amended from time to time,

most recently by Regulation (EU) 2019/877 of the European Parliament and of the Council of May 20, 2019 (the "**SRM Regulation**") provide for an EU-wide recovery and resolution regime for financial institutions established in the European Union, whereby the Single Resolution Board ("**SRB**") acting within the SRM exercises resolution powers in respect of such institutions and companies which are subject to direct prudential supervision by the ECB.

OLB is not currently classified by the ECB as significant institution and hence not subject to the direct prudential supervision by the ECB, so that it is subject to the recovery and resolution regime of the BRRD, with BaFin acting as the national resolution authority. As a result of the BRRD (as transposed into German law by the SAG), among other things, (i) credit institutions and resolution authorities are obliged to draw up recovery and resolution plans on how to deal with situations of financial stress, (ii) competent authorities are entitled to take early intervention measures (as defined below), (iii) a set of resolution tools have been introduced that resolution authorities can apply to preserve critical functions without the need to bail out a credit institution (or its creditors) (such as the bail-in tool allowing to write-down debt owed by a credit institution to creditors or to convert it into equity), and (iv) resolution funds are being set-up to finance and facilitate the effective and efficient resolution of credit institutions.

With respect to early intervention measures, the competent authority may (subject to certain conditions) take various actions and measures, e.g. require changes to legal/and or operational structures, require OLB to draw up detailed recovery plans setting out how stress scenarios or cases of systemic instability could be addressed or request reduction of OLB's risk profile, measures enabling recapitalization measures, improving the liquidity situation or otherwise require improvement actions regarding the resilience of the core business lines and critical functions and even require the management to be removed/replaced. Possible crisis prevention measures include, in addition to the early intervention measures, the power to write down or convert relevant capital instruments.

If the conditions for resolution are met, BaFin may issue a resolution order involving principally four resolution tools: (i) sale of business, (ii) transfer to a bridge institution, (iii) asset separation and (iv) bail-in, i.e. a full or partial write down or cancellation of eligible liabilities or the conversion thereof into shares or other CET1 capital instruments. However, certain types of liabilities, particularly covered deposits of up to EUR 100,000 and secured liabilities, are excluded from bail-in. To ensure that sufficient liabilities are available in a crisis in order to use the bail-in tool, the SAG requires institutions to maintain a minimum amount of liabilities eligible for bail-in. The amount of such liabilities is determined individually for each credit institution. Certain bail-in debt instruments, in particular long-term unsecured debt instruments are best suited to the bail-in tool. In addition, BaFin may make use of further powers, such as a temporary suspension of the enforcement of rights, claims and security interests. If resolution action or actions have been taken, BaFin must ensure that, immediately thereafter a valuation is carried out by an independent person to assess if and to what extent shareholders and creditors would have received better treatment if the institution under resolution had been subject to normal insolvency proceedings. If such assessment shows that creditors are worse off than they would have been in insolvency proceedings, such creditors are entitled to seek compensation from the German bank restructuring fund (*Restrukturierungsfonds*) (no creditor worse off principle).

Any actions or measures taken based on the SAG and/or SRM Regulation could have a material adverse effect on the business, results of operations and financial position of OLB and limit or restrict OLB's ability to pay dividends or equivalent cash contributions to its shareholders, which could limit the ability of the Issuer to pay interest or principal on the Notes.

III. RISKS RELATING TO THE NOTES

Additional Tier 1 Notes may not be a suitable Investment for all Investors

Each potential investor in the Additional Tier 1 Notes must determine the suitability of that investment with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it, in connection with such investment, either alone or with the help of a financial adviser. In particular, each potential investor should:

- (i) have sufficient knowledge and experience in financial and business matters to make a meaningful evaluation of the Additional Tier 1 Notes, the merits and risks of investing in the Additional Tier 1 Notes and the information contained or incorporated by reference in this Offering Memorandum or any applicable supplement;

- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Additional Tier 1 Notes and the impact the Additional Tier 1 Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Additional Tier 1 Notes, including where the currency for principal or Interest Payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Additional Tier 1 Notes and be familiar with the behavior of any relevant indices and financial markets;
- (v) know, that it may not be possible to dispose of the Additional Tier 1 Notes for a substantial period of time, if at all;
- (vi) 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

prospective purchasers should also consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Additional Tier 1 Notes.

Payments of Interest under the Additional Tier 1 Notes may be cancelled at the Issuer's discretion. Interest Payments depend, among other things, on the Issuer's Available Distributable Items. Interest Payments are non-cumulative.

The Issuer has the option to cancel any payment of Interest on the Additional Tier 1 Notes by giving prior notice to the Noteholders without undue delay and at the latest on the Interest Payment Date as set out in § 3(8) of the Terms and Conditions of the Notes. Interest Payments may especially be cancelled to prevent the occurrence of a Trigger Event. Interest will not accrue if (but only to the extent that) payment of interest on the Additional Tier 1 Notes, together with any other Distributions that are simultaneously planned or made or that have been made by the Issuer on other Tier 1 Instruments in the then current financial year of the Issuer, would exceed the Available Distributable Items, provided, however, that for purposes of this determination the Available Distributable Items shall be increased by an amount equal to the aggregate expense accounted for in respect of Distributions on Tier 1 Instruments (including the Additional Tier 1 Notes) when determining the profit which forms the basis of the Available Distributable Items. In such event, Noteholders would receive no, or reduced, Interest Payments on the relevant Interest Payment Date. With the annual profit and any distributable reserves of OLB AG forming an essential part of the Available Distributable Items, investors should also carefully review the risk factors under "*Risks Relating to the Issuer*" since any change in the financial prospects of the Issuer or its inherent profitability, in particular a reduction in the amount of profit or distributable reserves on an unconsolidated basis, may have an adverse effect on the Issuer's ability to make a payment in respect of the Additional Tier 1 Notes.

Any non-payment of Interest will likely have an adverse effect on the market price of the Additional Tier 1 Notes. In addition, as a result of this Issuer's option, the market price of the Additional Tier 1 Notes may be more volatile than the market prices of other debt securities which do not grant this option to the Issuer. Generally, the Additional Tier 1 Notes may be more sensitive to adverse changes in the Issuer's financial condition.

Interest Payments are non-cumulative. Therefore, if Interest Payments are cancelled, the Noteholders will not receive any compensation for the cancelled Interest Payments at a later point in time. Moreover, the Issuer is not prohibited from making payments on any instrument ranking senior to or *pari passu* with the Additional Tier 1 Notes. Cancellation of Interest Payments does not constitute a default of the Issuer or a breach of any other obligations under the Additional Tier 1 Notes or for any other purpose.

"**Available Distributable Items**" of OLB AG means, with respect to any payment of interest, the distributable items as defined in Article 4(1) no 128 CRR; at the time of the issuance of the Notes, such term refers to the annual profit (*Jahresüberschuss*) as of the end of the financial year of the Issuer immediately preceding the relevant Interest Payment Date, for which audited annual financial statements are available, plus any profits brought forward and reserves available for that purpose, before distributions to holders of own funds instruments, less any losses brought forward and any profits which are non-

distributable pursuant to the applicable laws of the European Union or Germany or the articles of association of the Issuer and any sums placed in non-distributable reserves in accordance with the applicable laws of Germany or the articles of association of the Issuer, in each case with respect to the specific category of own funds of the Notes as AT1 Instruments to which the applicable laws of the European Union or Germany or the articles of associations of the Issuer relate, provided that the distributable items and the relevant profits, losses and reserves shall be determined on the basis of the unconsolidated financial statements of the Issuer prepared in accordance with German commercial law (and not on the basis of its consolidated financial statements, if any).

The determination of the Available Distributable Items will be based on the Applicable Supervisory Regulations at the time of the determination and, accordingly, only those amounts will be added or deducted that may be added or have to be deducted (as the case may be) for purposes of determining the amounts distributable on AT1 Instruments under the Applicable Supervisory Regulations.

"Relevant Distribution" means any kind of payment of dividends or interest, including, but not limited to, any payment or distribution as may be relevant under any restriction operating as a maximum distributable amount in accordance with the Applicable Supervisory Regulations.

"Tier 1 Instruments" means any capital instrument which, according to CRR, qualifies as common equity tier 1 instruments or AT 1 instruments.

Interest Payments may be excluded and cancelled for regulatory reasons.

The risk described in this section applies only if and to the extent that the relevant CRR provisions and the relevant provisions under the German Banking Act (*Kreditwesengesetz* - "**KWG**") apply to the Additional Tier 1 Notes issued by OLB AG. Interest Payments will be excluded if (and to the extent) the competent supervisory authority instructs the Issuer to cancel an Interest Payment or such Interest payment is prohibited by law or administrative order on any Interest Payment Date.

The Issuer is prohibited from making an Interest Payment if (but only to the extent that) the relevant Interest Payment would exceed the Issuer's available distributable items or if such payment does not meet any of the other conditions set out in Article 52 (1) lit. (1) CRR. However, it cannot be excluded that the European Union and/or Germany and/or any other competent supervisory authority enacts further legislation affecting the Issuer and thereby also adversely affecting the right of the Noteholders to receive Interest Payments on any Interest Payment Date.

The right of the competent supervisory authority to issue an order to the Issuer to cancel all or part of the Interest Payments is stipulated in § 45 (2) and (3) of the KWG. Under the relevant provisions, regulatory action can be taken in cases of inadequate own funds or inadequate liquidity. Applicable capital buffer requirements in relation to the minimum capital requirements (and the additional requirements under § 10 (3) or (4) KWG or § 45b (1) sentence 2 KWG, if applicable) are required to be met with Common Equity Tier 1 capital. Such capital buffers also include (i) the capital conservation buffer (as implemented in Germany by § 10c KWG), (ii) the institution-specific counter-cyclical buffer (as implemented in Germany by § 10d KWG) and (iii) the systemic risk buffer (as implemented in Germany by § 10e KWG). Under § 10g KWG BaFin may order an otherwise systemically relevant institution to hold additional capital. While the capital conservation buffer will, after a phase-in period, be in any case applicable to the Issuer, one or all of the other buffers may additionally be established and be applicable to the Issuer. All applicable buffers will be aggregated in a combined buffer (as implemented by § 10i KWG), applying a calculation specified in § 10i KWG. If the Issuer does not meet such combined buffer requirement, the Issuer will be restricted from making Interest Payments on the Additional Tier 1 Notes in certain circumstances (set out in § 10i KWG, to be read in conjunction with § 37 of the German Solvency Regulation (*Solvabilitätsverordnung* - "**SolvV**")) until the BaFin has approved a capital conservation plan in which the Issuer needs to explain how it can be ensured that the Interest Payments and certain other discretionary payments, including distributions on Common Equity Tier 1 instruments and variable compensation payments, do not exceed the maximum distributable amount. The maximum distributable amount is calculated as a percentage of the profits of the institution since the last distribution of profits as further defined in § 37 (2) SolvV. The applicable percentage is scaled according to the extent of the breach of the combined buffer requirement. As an example, if the scaling is in the bottom quartile of the combined buffer requirement, no discretionary distributions will be permitted to be paid. As a consequence, in the event of breach of the combined buffer requirement it may be necessary to reduce discretionary payments, including potentially exercising the Issuer's discretion to cancel (in whole or in part) Interest Payments in respect of the Additional Tier 1 Notes.

By general administrative act dated 31 March 2020 (replaces general administrative act dated 28 June 2019), BaFin set the countercyclical capital buffer in Germany at 0% effective from 1 April 2020, in light of the COVID-19 – related economic crisis. Again, it cannot be excluded that the European Union and/or Germany and/or any other competent authority enacts further legislation affecting the Issuer and thereby also adversely affecting the right of the Noteholders to receive Interest Payments on any Interest Payment Date.

Accordingly, even if the Issuer was intrinsically profitable and willing to make Interest Payments, it could be prevented from doing so by regulatory provisions and/or regulatory action. In all such instances, Noteholders would receive no, or reduced, Interest Payments on the relevant Interest Payment Date.

Interest may only be payable on a reduced nominal amount. A write-down may occur several times and may reduce the outstanding amount and the nominal amount of the Additional Tier 1 Notes to zero. The Issuer is entitled but not obligated to write-up the redemption amount and the nominal amount of the Additional Tier 1 Notes to the Aggregate Nominal Amount.

Interest is payable on the nominal amount of the Additional Tier 1 Notes as amended from time to time. This amount may be lower than the Aggregate Nominal Amount. Upon the occurrence of a Trigger Event, i.e. if OLB's Common Equity Tier 1 capital ratio falls below 5.125 per cent., the redemption amount and the nominal amount of the Additional Tier 1 Notes are automatically reduced by the amount of the relevant write-down. This is the amount which is required to fully restore OLB's Common Equity Tier 1 capital ratio to the relevant threshold of 5.125 per cent. In the case of a write-down, Noteholders are therefore subject to the risk of receiving a lower Interest.

Trigger Events and therefore write-downs may occur repeatedly. Write-downs may not exceed the outstanding nominal amounts at the time of the relevant Trigger Event. The occurrence of a Trigger Event is inherently unpredictable and depends on a number of factors, any of which may be outside the control of the Issuer. The calculation of the Issuer's Common Equity Tier 1 Capital Ratio could be affected by a wide range of factors, including changes in the mix of the Issuer's business, major events affecting its earnings, dividend payments by the Issuer, regulatory changes (including changes to the definitions and calculations of regulatory capital ratios and their components) and the Issuer's ability to manage risk-weighted assets. Such ratio will also depend on the management of the Issuer's capital position, and may be affected by changes in applicable accounting rules or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules.

In any financial year following a write-down, the Issuer may discretionally decide to write-up the redemption amount and the nominal amount of the Additional Tier 1 Notes to its Aggregate Nominal Amount (unless previously repaid or acquired and devalued). This requires a sufficient annual surplus, that a write-up would not result in an annual loss and that, at the time of the intended write-up, no Trigger Event has occurred or continues to occur. However, there can be no assurance as to the Issuer making use of its discretion. Furthermore, due to the restrictions applying to a write-up, it cannot be assured that the Issuer will ever be able to opt for a write-up even if it were willing to. Since an early redemption of the Additional Tier 1 Notes at the option of the Issuer pursuant to § 5(6) of the Terms and Conditions of the Notes requires that preceding write-downs are fully compensated by a write-up (see "*the Additional Tier 1 Notes may be redeemed at the Issuer's option*"), the Noteholders may not be able to recover their investment at all.

The CET1 Ratio could be affected by a number of factors.

Inter alia, the CET1 Ratio will depend on the Issuer'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 interests of the Noteholders in connection with its strategic decisions, including in respect of its capital management. Noteholders will not have any claim against the Issuer relating to decisions that affect the business and operations of the Issuer, including the Issuer's capital position, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause Noteholders to lose all or part of the value of their investment in the Additional Tier 1 Notes.

Risk of the Additional Tier 1 Notes being written down by the resolution authority

The Additional Tier 1 Notes are relevant capital instruments within the meaning of § 2(2) of the German Act on the Recovery and Resolution of Credit Institutions and Groups of Credit Institutions, (*Sanierungs- und Abwicklungsgesetz – "SAG"*) which are issued at the level of OLB AG and intended to be recognized

for the purposes of meeting own funds requirements on a consolidated basis. Under § 89 SAG, BaFin, acting in its capacity as the German Resolution Authority (*Nationale Abwicklungsbehörde*), has the power to write down or convert the Additional Tier 1 Notes, in whole or in part, into shares of the Issuer where the conditions for resolution are met with respect to OLB AG. Such conditions for resolution are met in accordance with § 62 (1) SAG if the ongoing existence of OLB AG is endangered (*Bestandsgefährdung*), the implementation of a resolution action (*Abwicklungsmaßnahme*) to achieve one or more resolution objectives (*Abwicklungsziele*) is necessary and proportionate (*erforderlich und verhältnismäßig*), and the situation cannot be remedied through measures other than resolution action with the same certainty, also having regard to the time available. The ongoing existence is endangered if either (i) OLB AG infringes or there are objective elements to support the view that OLB AG will, in the near future, infringe the requirements for holding a license under section 32 KWG in a way that would justify the withdrawal of the license by the relevant competent authority, (ii) the assets of OLB AG are or there are objective elements to support the view that the assets of OLB AG will, in the near future, be, less than its liabilities or (iii) OLB AG is, or there are objective elements to support the view that the institution will, in the near future, be, unable to pay its debts or other liabilities as they fall due unless there is a serious chance.

In this case the Noteholder of the Additional Tier 1 Notes might lose the entire or a substantial part of its investment. Consequently, any amounts so written down in respect of the Additional Tier 1 Notes would be irrevocably lost and the Noteholders would cease to have any claims thereunder, regardless whether or not OLB AG's financial position is restored. Noteholders would have no claim against the Issuer in such a case and there would be no obligation of the Issuer to make payments under the Additional Tier 1 Notes. Other than in the event that OLB AG's Common Equity Tier 1 Capital ratio falls below a certain threshold, the Terms and Conditions of the Notes do not contain a provision which requires them to be written down in the event of "non-viability" or resolution of OLB AG.

Potential investors should consider the risk that they may lose all of their investment, including the nominal amount plus any accrued interest if a write-down of the Additional Tier 1 Notes into shares of the Issuer occurs. In addition, the statutory provisions allowing for resolution action in respect of OLB AG may have a negative impact on the market value of the Additional Tier 1 Notes even prior to non-viability or resolution. Potential investors should furthermore note that the provisions of the Terms and Conditions of the Notes relating to a write-up will not apply if the Additional Tier 1 Notes have been subject to a write-down or conversion.

Risks associated with the reform of interest rate 'benchmarks'

Following the First Reset Date, interest amounts payable under each Series of Notes are calculated by reference to the annual swap rate for swap transactions denominated in Euro with a term of 5 years, which appears on the Reuters Screen Page ICESWAP2/EURFIXA.

This swap-rate, the underlying Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**") have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such Benchmarks to be discontinued or to be modified or to be subject to other changes. One of the international proposals for reform of Benchmarks that is expected to affect the operations of OLB is the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**").

The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices such as EURIBOR, other interest rates, foreign exchange rates, and indices, including equity, commodity and proprietary indices or strategies will in most cases be within the scope of the Benchmark Regulation.

The Benchmark Regulation could have a material impact on the value or/and return on the securities linked to a Benchmark rate or index, including in any of the following circumstances:

- a rate or index which is a Benchmark could not be used as such if its administrator does not obtain authorization or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the "equivalence" conditions, is not "recognized" pending such a decision and is not "endorsed" for such purpose; and

- the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of funding or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks. Benchmarks could also be discontinued entirely.

It is not possible to predict how investment and credit markets will respond to new rates, and the effect that any changes in, or discontinuation of, the Benchmarks might have on new or existing financial instruments, including the effectiveness or ineffectiveness of hedges, however, such changes may adversely impact the value of the investments and the cost of OLB of such forms of capital.

Potential changes, or uncertainty related to such potential changes, may adversely affect the market for securities referencing the Benchmarks, which in turn could have an adverse effect on the investments of OLB linked to such Benchmarks as well as its credit facilities, such as the letter of credit facilities with commercial lenders. In addition, changes or reforms to the determination or supervision of any of the Benchmarks may result in a sudden or prolonged increase or decrease in such reported Benchmarks, which could have an adverse impact on the market for securities linked to such Benchmarks or cost of capital.

Under the Terms and Conditions of the Notes, certain benchmark replacement provisions will apply in case a Benchmark (or any component part thereof) used as a reference for the calculation of interest amounts payable under the Notes were to be discontinued or otherwise unavailable:

If a Benchmark (or any component part thereof) used to calculate interest amounts payable under the Notes for any interest period has ceased to be calculated or administered, the Issuer shall endeavor to appoint an independent adviser, which must be an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets. Such independent adviser will be tasked with determining whether an officially recognized successor rate to the discontinued Benchmark exists. If that is not the case, the independent adviser will attempt to find an alternative rate which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark. If the independent adviser determines a successor rate or alternative rate (the "**New Benchmark Rate**"), such rate will replace the previous Benchmark for purposes of determining the relevant rate of interest. Such determination will be binding for the Issuer, the Calculation Agent, the Paying Agents and the Noteholders of such Series of Notes. Any amendments pursuant to these fall-back provisions will apply with effect from the respective effective date specified in the Terms and Conditions of the Notes.

If the Issuer fails to appoint an independent adviser or if the adviser fails to determine a New Benchmark Rate following a discontinuation of a relevant Benchmark, the reference rate applicable to the next reset period shall be the reference rate determined on the last interest determination date immediately preceding the occurrence of the relevant Effective Date, provided, however, that, in case of the first reset period, the reference rate shall be -0.310 per cent. *per annum*.

The replacement of a Benchmark could have adverse effects on the economic return of the Noteholder of Notes compared to the applicable original benchmark rate.

The Additional Tier 1 Notes are perpetual securities. Noteholders have no right to demand redemption of the Additional Tier 1 Notes.

The Additional Tier 1 Notes do not have a final maturity date. Therefore, the Principal Amounts will only be paid back to the Noteholders, if the Issuer decides to previously redeem the Additional Tier 1 Notes. Noteholders have no right to call the Additional Tier 1 Notes for their redemption. Investors may expect the Issuer to make use of a right to call the Additional Tier 1 Notes for redemption at a certain point in time. Should the Issuer's actions diverge from such expectations, the market value of the Additional Tier 1 Notes and the development of an active public market could be adversely affected.

Prospective investors should be aware that they may be required to bear the financial risks of an investment in the Additional Tier 1 Notes for an unlimited period of time and may not recover their investment.

The Additional Tier 1 Notes may be redeemed at the Issuer's option.

The Additional Tier 1 Notes may be redeemed at the option of the Issuer (in whole but not in part) at their Aggregate Nominal Amount plus any Interest accrued to but excluding the date fixed for redemption on the date fixed for redemption. The Issuer may decide at its discretion to redeem the Notes. The redemption is subject to the prior consent of the competent supervisory authority.

An early redemption of the Notes at the option of the Issuer requires that any reductions of the redemption amount or the nominal amount of the Additional Tier 1 Notes have been fully compensated by a write-up. This does not apply to early redemption of the Notes for regulatory or tax reasons. In such cases, the redemption amount per Note may be less than its Original Nominal Amount due to a previous Write-down which has not been fully written-up.

In the event of an early redemption of the Additional Tier 1 Notes, the Noteholders are furthermore exposed to the risk that their investment has a lower yield than expected. In addition, the Noteholders are exposed to risks connected with any reinvestment of the cash proceeds received as a result of the early redemption. Therefore, the Noteholders are exposed to reinvestment risk if market interest rates decline. This means that Noteholders might reinvest the redemption proceeds only at the then prevailing lower interest rates.

The Additional Tier 1 Notes may be redeemed by the Issuer at any time in its discretion for regulatory or tax reasons. In such case, the redemption amount may be substantially lower than the Aggregate Nominal Amount due to a write-down that has not been fully written up. In the case of a write-down to zero, this may result in a full loss of the nominal amount.

The Additional Tier 1 Notes may be redeemed at any time, in whole but not in part, subject to the prior consent of the competent supervisory authority, and without any previous write-down having been written up (a) for regulatory reasons, if, there is a change in the regulatory classification of the Additional Tier 1 Notes that would be likely to result in (i) their exclusion in full or in part from the Issuer's own funds under the CRR or (ii) a reclassification as a lower quality form of the Issuer's own funds than their classification as of the issue date, provided that in respect of a redemption prior to the fifth anniversary of the issue date of the Additional Tier 1 Notes the conditions in Article 78(4)(a) CRR are met, pursuant to which the competent authority may approve such redemption only if (i) it considers the change in the regulatory classification to be sufficiently certain and (ii) the Issuer demonstrated to its satisfaction that the regulatory reclassification of the Additional Tier 1 Notes was not reasonably foreseeable at the issue date or (b) for tax reasons, if the tax treatment of the Additional Tier 1 Notes, due to a change in applicable legislation or relevant jurisprudence, including any change in a fiscal legislation, rules or practices, which takes effect after the Interest Commencement Date, changes (i.e. the tax deductibility of interest payable on the Additional Tier 1 Notes or the obligation to pay Additional Amounts) and, in respect of a redemption prior to the fifth anniversary of the issue date of the Additional Tier 1 Notes, the conditions in Article 78(4)(b) CRR are met, pursuant to which the competent authority may approve such redemption only if there is a change in the applicable tax treatment of the Additional Tier 1 Notes which the Issuer demonstrated to its satisfaction is material and was not reasonably foreseeable at the issue date.

In case of a redemption for regulatory or tax reasons, the amount to be repaid under the Additional Tier 1 Notes, if any, may be substantially lower than the Aggregate Nominal Amount of the Additional Tier 1 Notes, and may also be reduced to zero which would result in a full loss of all money invested in the Additional Tier 1 Notes.

Noteholders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments.

Any potential investor of the Additional Tier 1 Notes is relying on the creditworthiness of the Issuer and has no rights against any other person. Noteholders are subject to the risk of a partial or total failure of the Issuer to make Interest Payments and/or to redeem the Additional Tier 1 Notes. A materialization of the credit risk may result in partial or total failure of the Issuer to make Interest Payments and/or to redeem the Additional Tier 1 Notes.

In addition, market participants could be of the opinion that the creditworthiness of the Issuer has decreased although this is actually not the case. This may especially be the case if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the industries sector adversely change. If any of these risks occur, it is likely that third parties would only be willing to purchase the

Additional Tier 1 Notes at a lower price than before the materialization of said risks. As a result, the market value of the Additional Tier 1 Notes may decrease.

In any insolvency proceedings of the Issuer, the Noteholders may recover proportionally less than holders of unsubordinated and other subordinated liabilities of the Issuer, or nothing at all, and the remedies for Noteholders in the insolvency proceedings of the Issuer may be limited.

The Issuer's obligations under the Additional Tier 1 Notes constitute unsecured, unguaranteed and subordinated obligations of the Issuer, ranking *pari passu* among themselves and obligations of the Issuer under other AT 1 Instruments. The Additional Tier 1 Notes rank senior to the obligations in respect of common equity tier 1 items of the Issuer pursuant to Article 26 CRR and shall be fully subordinated to the Senior Ranking Obligations of the Issuer, so that in any such event no amounts shall be payable in respect of the Additional Tier 1 Notes until (i) the claims of unsubordinated creditors of the Issuer, (ii) the subordinated claims specified in § 39(1) of the German Insolvency Code (*Insolvenzordnung* - "**InsO**"), (iii) the claims under instruments which qualify as Tier 2 instruments for the purposes of CRR and any claims which rank *pari passu* with these Tier 2 instruments, (vi) the claims of other subordinated creditors of the Issuer which do not, pursuant to the Terms and Conditions of the Notes, rank *pari passu* with, or junior to, the claims under the Additional Tier 1 Notes, and (v) the claims under other instruments which pursuant to their terms or mandatory provisions of law rank *pari passu* with, or senior to, Tier 2 Instruments of the Issuer have been satisfied in full.

The obligations of the Issuer under the Additional Tier 1 Notes are only senior to the claims of the Issuer's shareholders (*Aktionäre*) arising out of their respective participation in the equity of the Issuer.

Therefore, if resolution measures are imposed on the Issuer, or in the event of the dissolution, liquidation, insolvency or composition of the Issuer, or if other proceedings are opened for the avoidance of insolvency of the Issuer or against the Issuer, payments in respect of the Additional Tier 1 Notes will not be made until all claims against the Issuer under senior ranking obligations have been fully satisfied (i.e. not only with a quota).

Noteholders will have limited ability to influence the outcome of any insolvency proceeding or a restructuring outside insolvency proceedings. In the course of insolvency proceedings over the assets of the Issuer, the Noteholders will not have any right to vote in the assembly of creditors (*Gläubigerversammlung*). Accordingly, Noteholders of the Additional Tier 1 Notes may only influence the outcome of a restructuring to a very limited extent.

Investors should take into consideration that unsubordinated liabilities may also arise out of events that are not reflected on the Issuer's balance sheet, including, without limitation, the issuance of guarantees or other payment undertakings. Claims of beneficiaries under such guarantees or other payment undertakings will, in winding-up or insolvency proceedings of the Issuer, become unsubordinated liabilities and will therefore be fully paid before payments are made to Noteholders.

The Terms and Conditions of the Notes do not include express events of default allowing acceleration of the Notes if certain events occur or cross default.

Noteholders should be aware that the Terms and Conditions of the Notes do not contain any express events of default provisions. Furthermore, there will not be any cross default under the Terms and Conditions of the Notes. As a consequence, Noteholders have no ability to require the Issuer to redeem their Notes under the Terms and Conditions of the Notes even if the Issuer fails to meet obligations under the Notes, including the payment of interest which has not been cancelled. In such event, Noteholders will have to initiate legal proceedings to enforce payment of these amounts. In particular, as solely BaFin is entitled to file an application for the institution of insolvency proceedings in respect of the Issuer, Noteholders would not be able to file for the institution of insolvency proceedings with a view to recover such amounts. In the case of an insolvency or liquidation of the Issuer, any Noteholder may only declare its Additional Tier 1 Notes due and payable and may claim the amounts due and payable under the Additional Tier 1 Notes, once the Issuer has discharged or secured in full (i.e. not only with a *quota*) all claims that rank senior to the Additional Tier 1 Notes.

There is no limitation on the Issuer to incur additional indebtedness ranking senior to or *pari passu* with the Additional Tier 1 Notes. The Additional Tier 1 Notes do not provide for financial covenants.

The Issuer has not entered into any restrictive covenants in connection with the issuance of the Additional Tier 1 Notes regarding its ability to incur additional indebtedness ranking *pari passu* or senior to the obligations under or in connection with the Additional Tier 1 Notes. The incurrence of any such additional indebtedness may significantly increase the likelihood of a cancellation of Interest Payments under the Additional Tier 1 Notes and/or may reduce the amount recoverable by the Noteholders in the event of insolvency or liquidation of the Issuer. In addition, the Issuer will not be restricted from paying dividends or issuing or repurchasing other securities, including where the Issuer cancels payments of interest under the Additional Tier 1 Notes. In addition, the Noteholders will not be protected from highly leveraged transactions entered into by the Issuer, a reorganization, restructuring or merger of the Issuer, or from any similar transaction that adversely affects the position of the Noteholders.

Risk of legislative changes

Financial institutions, such as OLB, have been, and are expected to be in the future, subject to extensive regulation. The regulatory treatment of the Additional Tier 1 Notes might change during their terms due to legislative changes and future regulatory reforms. Such reforms may impact the Issuer's ability to make payments on the Notes or the Issuer may be limited to reinstate the nominal amount of the Notes following a write-down, which may in turn adversely impact the trading price and the liquidity of the Notes.

Risk related to the reset of the interest rate linked to the 5-year Mid Swap Rate

For the period from and including the First Reset Date to but excluding the next Reset Date and thereafter from and including each Reset Date to but excluding the next Reset Date the Notes bear interest at a rate which will be determined on each relevant reset date at the 5-year mid swap rate for the relevant Reset Period plus a margin.

Investors should be aware that the performance of the 5-year mid swap rate and the interest income on the Notes cannot be anticipated and neither the current nor the historical level of the 5-year mid swap rate is an indication of the future development of the 5-year mid swap rate. Due to varying interest income, investors are not able to determine a definite yield of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Furthermore, during each Reset Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates. During each of these periods, the investor is exposed to the risk described in the section "*Risk related to fixed interest rate notes*".

Risk related to fixed interest rate notes

The Additional Tier 1 Notes bear interest at a fixed rate to but excluding the First Reset Date.

A holder of a fixed interest rate note is exposed to the risk that the price of such note may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate note is fixed during the life of such note or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such note changes in the opposite direction. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate falls, the price of a fixed interest rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Noteholders should be aware that movements of the market interest rate can adversely affect the market price of the Additional Tier 1 Notes and can lead to losses for the Noteholders if they sell their Additional Tier 1 Notes.

In addition, the initial credit spread of the Issuer, which is referred to in § 3(2)(b) of the Terms and Conditions of the Notes has not yet been determined. A credit spread is the margin payable by the Issuer to the Noteholders as a premium for the assumed credit risk of the Issuer. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price. The following factors may affect

the credit spread: creditworthiness and rating of the Issuer, probability of default, recovery rate, liquidity situation, general level of interest rates, overall economic developments, and the currency, in which the relevant obligation is denominated may also have a positive or negative effect. Investors are exposed to the risk that the credit spread of the Issuer widens, resulting in a decrease in the price of the Additional Tier 1 Notes.

Risk of a change in market value.

If the likelihood that the Issuer will be in a position to perform all obligations under the Additional Tier 1 Notes in full decreases, for example, because of the materialisation of any of the risks regarding the Issuer, the market value of the Additional Tier 1 Notes will suffer. In addition, even if the likelihood that the Issuer will be in a position to perform all obligations under the Additional Tier 1 Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. If any of these risks occurs, third parties would only be willing to purchase Additional Tier 1 Notes for a lower price than before the materialisation of mentioned risk. Under these circumstances, the market value of the Additional Tier 1 Notes is likely to decrease.

The credit rating of the Additional Tier 1 Notes may not reflect all associated risks.

The market value of the Additional Tier 1 Notes from time to time is likely to depend on the level of credit rating assigned to the long-term debt of the Issuer. Rating agencies may change, suspend or withdraw their ratings at short notice. A rating's change, suspension or withdrawal may affect the price and the market value of the outstanding Additional Tier 1 Notes. Therefore, an investor may incur financial disadvantages because he may not be able to sell the Additional Tier 1 Notes at a fair price. One or more independent credit rating agencies may assign credit ratings to the Additional Tier 1 Notes. The credit rating assigned to the Additional Tier 1 Notes may not reflect the potential impact of all risks related to their structure, market, the factors discussed above and other circumstances that may affect the market value of the Additional Tier 1 Notes. The trading price of the Additional Tier 1 Notes may be adversely affected, if the ratings of the Additional Tier 1 Notes are lowered. In addition, Moody's, S&P or any other rating agency may change its methodologies applied to rate securities with features similar to the Additional Tier 1 Notes in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Additional Tier 1 Notes, sometimes called "notching". If the rating agencies change their practices for rating such securities in the future and the ratings of the Additional Tier 1 Notes are subsequently lowered, the trading price of the Additional Tier 1 Notes may be adversely affected. A credit rating is not a recommendation to buy, sell or hold Additional Tier 1 Notes and may be revised or withdrawn by the relevant rating agency at any time.

Certain rights of the Noteholders under the Terms and Conditions of the Notes may be amended or reduced or even cancelled by Noteholders' resolutions. Any such resolution will bind all Noteholders. Any such resolution may effectively be passed with the consent of less than a majority of the Aggregate Nominal Amount of Additional Tier 1 Notes.

The Terms and Conditions of the Notes may be amended in accordance with the provisions of the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz – "SchVG"*). Amendments may not alter the qualification of the securities as Additional Tier 1 capital. Resolutions of Noteholders require a majority of 75 per cent. of the votes cast, unless they do not significantly amend the Terms and Conditions of the Notes in which case a majority of 50 per cent. of the votes cast is sufficient. Therefore, any Noteholder is subject to the risk of being outvoted by a majority resolution of the Noteholders. The applicable provisions of the SchVG pertaining to resolutions of Noteholders are largely mandatory. Pursuant to the SchVG, the relevant majority for Noteholders' resolutions is generally based on votes cast, rather than on the Aggregate Nominal Amount of the outstanding Additional Tier 1 Notes. Therefore, any such resolution may effectively be passed with the consent of less than a majority of the Aggregate Nominal Amount of the Additional Tier 1 Notes outstanding. As such majority resolution is binding on all Noteholders, some of the Noteholders' rights against the Issuer under the Terms and Conditions of the Notes may be amended, reduced or even cancelled.

If a Noteholders' representative is appointed for the Additional Tier 1 Notes, the Noteholders may be deprived of their individual right to pursue and enforce their rights under the respective Terms and Conditions of the Notes against the Issuer.

Since the Terms and Conditions of the Notes provide that the Noteholders are entitled to appoint a Noteholders' Representative by a majority resolution of such Noteholders, a Noteholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions of the Notes against the Issuer. This right then passes on to the Noteholders' Representative who is exclusively responsible to claim and enforce the rights of all the Noteholders.

Exchange rate risks and exchange controls.

The Additional Tier 1 Notes are denominated in Euro. Potential investors should bear in mind that an investment in the Additional Tier 1 Notes involves currency risks. This includes the risks of amendments in currency exchange rates. An appreciation in the value of the investor's currency relative to the Euro would decrease (i) the investor's currency-equivalent yield on the Additional Tier 1 Notes, (ii) the investor's currency equivalent value of the principal payable on the Additional Tier 1 Notes and (iii) the investor's currency-equivalent market value of the Additional Tier 1 Notes. In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, Noteholders may receive less interest or principal than expected, or no interest or principal.

Risks in relation to FATCA.

The United States has enacted rules, commonly referred to as "FATCA", that generally impose a reporting and withholding regime with respect to certain payments made by entities that are classified as financial institutions under FATCA. The United States has entered into an intergovernmental agreement (an "IGA") regarding the implementation of FATCA with certain jurisdictions (including Germany). Under the current IGA between Germany and the United States, the Issuer does not expect payments made on or with respect to the Additional Tier 1 Notes to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Additional Tier 1 Notes in the future. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Additional Tier 1 Notes, no person will be required to pay Additional Amounts (as defined in the Terms and Conditions of the Notes) as a result of the withholding.

USE OF PROCEEDS

The net proceeds from the issue of the Notes will be used for general corporate purposes and to strengthen the Issuer's regulatory capital base by providing Additional Tier 1 capital for the Issuer. In particular, the Issuer aims to optimize its capital structure by utilizing the 1.5% Pillar 1 AT1 'bucket' (approximately EUR 100 million as of 31 December 2020) and further strengthen key financial metrics including Tier 1 and leverage ratio.

TERMS AND CONDITIONS OF THE NOTES

ANLEIHEBEDINGUNGEN

§ 1 Währung, Stückelung, zusätzliches Kernkapital, Form

1. *Währung; Stückelung.* Diese Serie von nachrangigen Schuldverschreibungen (die "**Schuldverschreibungen**") der Oldenburgische Landesbank Aktiengesellschaft (die "**Emittentin**") wird in Euro (die "**festgelegte Währung**" oder "**EUR**") im Gesamtnennbetrag von EUR 100.000.000 (in Worten: einhundert Millionen Euro) in einer Stückelung von jeweils EUR 200.000 (die "**festgelegte Stückelung**" oder der "**Ursprüngliche Nennbetrag**") begeben.

Zweck der Schuldverschreibungen ist die Überlassung von Eigenmitteln auf unbestimmte Zeit in Form von zusätzlichem Kernkapital an die Emittentin.

2. *Form.* Die Schuldverschreibungen lauten auf den Inhaber.
3. *Dauerglobalurkunde*
Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin. Einzelurkunden und Zinsscheine werden nicht ausgegeben.
4. *Clearing System.* Die Dauerglobalurkunde wird solange von Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65765 Eschborn, Deutschland (das "**Clearing System**") verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.
5. *Anleihegläubiger.* "**Anleihegläubiger**" bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen Rechts an den Schuldverschreibungen.

§ 2 Status

1. Die Schuldverschreibungen begründen nicht besicherte, nicht garantierte, nachrangige Verbindlichkeiten der Emittentin, die untereinander im gleichen Rang stehen.

TERMS AND CONDITIONS

§ 1 Currency, Denomination, AT1 Capital, Form

1. *Currency; Denomination.* This series of subordinated notes (the "**Notes**") of Oldenburgische Landesbank Aktiengesellschaft (the "**Issuer**") is being issued in Euro (the "**Specified Currency**" or "**EUR**") in the aggregate nominal amount of EUR 100,000,000 (in words: one hundred million Euro) in a denomination of EUR 200,000 (the "**Specified Denomination**" or the "**Original Nominal Amount**") each.

The purpose of the Notes is to furnish the Issuer with own funds in the form of additional tier 1 capital for an indefinite period of time.

2. *Form.* The Notes are being issued in bearer form.
3. *Permanent Global Note*
The Notes are represented by a permanent global note (the "**Permanent Global Note**") without interest coupons. The Permanent Global Note shall be signed manually by two authorized signatories of the Issuer. Definitive notes and interest coupons will not be issued.
4. *Clearing System.* The Permanent Global Note will be kept in custody by Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65765 Eschborn, Germany (the "**Clearing System**") until all obligations of the Issuer under the Notes have been satisfied.
5. *Noteholder.* "**Noteholder**" means any holder of a proportionate co-ownership or other right in the Notes.

§ 2 Status

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

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| <p>2. Im Fall von Abwicklungsmaßnahmen in Bezug auf die Emittentin und im Fall der Auflösung, der Liquidation oder der Insolvenz der Emittentin oder eines Vergleichs oder eines anderen der Abwendung der Insolvenz dienenden Verfahrens gegen die Emittentin</p> <p>(a) stehen die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen im gleichen Rang wie die Verbindlichkeiten der Emittentin aus anderen AT1-Instrumenten; und</p> <p>(b) gehen die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen den Verbindlichkeiten der Emittentin hinsichtlich Posten des harten Kernkapitals der Emittentin gemäß Artikel 26 CRR (insbesondere, jedoch nicht ausschließlich, den Stammaktien und etwaigen anderen Instrumenten der Emittentin, die nach ihren Bedingungen oder zwingendem Recht gleichrangig mit den Stammaktien der Emittentin sind) im Rang vor; und</p> <p>(c) gehen die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen den Vorrangigen Verbindlichkeiten der Emittentin im Rang vollständig nach, so dass Zahlungen auf die Schuldverschreibungen in einem solchen Fall solange nicht erfolgen, bis die Vorrangigen Verbindlichkeiten der Emittentin vollständig befriedigt sind.</p> | <p>2. If resolution measures are imposed on the Issuer, or in the event of the dissolution, liquidation, insolvency or composition of the Issuer, or if other proceedings are opened for the avoidance of insolvency of the Issuer or against the Issuer, the obligations of the Issuer under the Notes</p> <p>(a) rank <i>pari passu</i> with the obligations of the Issuer under other AT1 Instruments; and</p> <p>(b) rank senior to the obligations in respect of common equity tier 1 items of the Issuer pursuant to Article 26 CRR (in particular (but not limited to) the ordinary shares and other instruments (if any) of the Issuer which pursuant to their terms or mandatory provisions of law rank <i>pari passu</i> with ordinary shares); and</p> <p>(c) shall be fully subordinated to the Senior Ranking Obligations of the Issuer, so that in any such event no amounts shall be payable in respect of the Notes until the Senior Ranking Obligations of the Issuer have been satisfied in full.</p> |
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Wenn die Schuldverschreibungen insgesamt nicht mehr als AT1-Instrumente oder andere Eigenmittelinstrumente qualifizieren, gehen gemäß § 46f Absatz 7a KWG oder einer Nachfolgebestimmung die Verbindlichkeiten aus den Schuldverschreibungen sämtlichen Verbindlichkeiten aus Eigenmitteln vor.

If the Notes in their entirety no longer qualify as AT1 Instruments or other own funds instruments, the obligations under the Notes will, pursuant to § 46f(7a) KWG or any successor provision thereto, rank in priority to all obligations under own funds.

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| <p>3. <i>Definitionen.</i> In diesen Anleihebedingungen haben die folgenden Begriffe die folgenden Bedeutungen:</p> <p>"AT1-Instrument" bezeichnet jedes (unmittelbar oder mittelbar begebene) Kapitalinstrument der Emittentin, das als Instrument des zusätzlichen Kernkapitals gemäß Artikel 52 CRR qualifiziert (einschließlich, jedoch nicht ausschließlich, eines jeden Kapitalinstruments oder anderen</p> | <p>3. <i>Definitions.</i> In these Terms and Conditions, the following terms shall have the following meanings:</p> <p>"AT1 Instrument" means any (directly or indirectly issued) capital instrument of the Issuer that qualifies as an additional tier 1 instrument pursuant to Article 52 CRR (including, but not limited to, any capital instrument or other instrument that qualifies as</p> |
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Instruments, das nach den Übergangsbestimmungen der CRR als ein Posten des zusätzlichen Kernkapitals qualifiziert).

"**CRR**" bezeichnet die Verordnung (EU) Nr. 575/2013 des Europäischen Parlaments und des Rates vom 26. Juni 2013, in der Fassung wie jeweils geändert oder ersetzt, insbesondere durch die Verordnung (EU) 2019/876 des Europäischen Parlaments und des Rates vom 20. Mai 2019; soweit Bestimmungen der CRR geändert oder ersetzt werden, bezieht sich der Verweis auf Bestimmungen der CRR in diesen Anleihebedingungen auf die jeweils geänderten Bestimmungen bzw. die Nachfolgeregelungen.

"**InsO**" bezeichnet die Insolvenzordnung (InsO), in der Fassung wie jeweils geändert oder ersetzt; soweit Bestimmungen der InsO geändert oder ersetzt werden, bezieht sich der Verweis auf Bestimmungen der InsO in diesen Anleihebedingungen auf die jeweils geänderten Bestimmungen bzw. die Nachfolgeregelungen.

"**KWG**" bezeichnet das Gesetz über das Kreditwesen (Kreditwesengesetz – KWG), in der Fassung wie jeweils geändert oder ersetzt; soweit Bestimmungen des KWG geändert oder ersetzt werden, bezieht sich der Verweis auf Bestimmungen des KWG in diesen Anleihebedingungen auf die jeweils geänderten Bestimmungen bzw. die Nachfolgeregelungen.

"**Tier 2 Instrument**" bezeichnet jedes (unmittelbar oder mittelbar begebene) Kapitalinstrument oder nachrangige Darlehensinstrument der Emittentin, das als Ergänzungskapitalinstrument gemäß Artikel 63 CRR qualifiziert (einschließlich, jedoch nicht ausschließlich, eines jeden Kapitalinstruments, nachrangigen Darlehensinstruments oder anderen Instruments, das nach den Übergangsbestimmungen der CRR als ein Posten des Ergänzungskapitals qualifiziert).

"**Vorrangige Verbindlichkeiten**" der Emittentin bezeichnet

- (a) die Ansprüche dritter Gläubiger der Emittentin aus nicht nachrangigen Verbindlichkeiten (einschließlich, jedoch nicht ausschließlich, Ansprüchen gegen die Emittentin aus deren nicht bevorrechtigten, nicht nachrangigen Schuldtiteln im

an additional tier 1 item pursuant to the transitional provisions under the CRR).

"**CRR**" means Regulation (EU) No 575/2013 of the European Parliament and the Council of 26 June 2013, as amended or replaced from time to time, in particular by the Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019; to the extent that any provisions of the CRR are amended or replaced, the reference to provisions of the CRR as used in these Terms and Conditions shall refer to such amended provisions or successor provisions from time to time.

"**InsO**" means the German Insolvency Statute (*InsO*), as amended or replaced from time to time; to the extent that any provisions of the InsO are amended or replaced, the reference to provisions of the InsO as used in these Terms and Conditions shall refer to such amended provisions or successor provisions from time to time.

"**KWG**" means the German Banking Act (*Kreditwesengesetz – KWG*), as amended or replaced from time to time; to the extent that any provisions of the KWG are amended or replaced, the reference to provisions of the KWG as used in these Terms and Conditions shall refer to such amended provisions or successor provisions from time to time.

"**Tier 2 Instrument**" means any (directly or indirectly issued) capital instrument or subordinated loan instrument of the Issuer that qualifies as a Tier 2 instrument pursuant to Article 63 CRR (including, but not limited to, any capital instrument or subordinated loan instrument or other instrument that qualifies as a Tier 2 item pursuant to transitional provisions under the CRR).

"**Senior Ranking Obligations**" of the Issuer means:

- (a) the claims of unsubordinated creditors of the Issuer (including, but not limited to, claims against the Issuer under its non-preferred senior debt instruments within the meaning of § 46f(6) sentence 1 KWG);

	Sinne von § 46f Absatz 6 Satz 1 KWG);		
	(b) die in § 39 Absatz 1 Nr. 1 bis 5 InsO bezeichneten Forderungen;	(b)	the claims specified in § 39(1) nos. 1 to 5 InsO;
	(c) die Ansprüche aus Tier 2 Instrumenten;	(c)	the claims under Tier 2 Instruments;
	(d) die Ansprüche dritter Gläubiger der Emittentin aus nachrangigen Verbindlichkeiten, die nicht gemäß § 2(2)(a) im gleichen Rang zu den Ansprüchen aus den Schuldverschreibungen stehen oder diesen im Rang nachgehen; und	(d)	the claims of other subordinated creditors of the Issuer which do not, pursuant to § 2(2)(a), rank <i>pari passu</i> with, or junior to, the claims under the Notes; and
	(e) die Ansprüche aus anderen Instrumenten, die nach ihren Bedingungen oder zwingendem Recht vorrangig zu Tier 2 Instrumenten sind (einschließlich gemäß § 46f Absatz 7a Satz 3 KWG oder einer Nachfolgebestimmung) und nicht bereits unter (a) oder (d) erfasst sind.	(e)	the claims under other instruments which pursuant to their terms or mandatory provisions of law (including pursuant to § 46f(7a) sentence 3 KWG or any successor provision thereto) rank senior to Tier 2 Instruments unless already captured in (a) or (d).
4.	Unter Beachtung von § 2(2) bleibt es der Emittentin unbenommen, ihre Verbindlichkeiten aus den Schuldverschreibungen auch aus dem sonstigen freien Vermögen zu bedienen.	4.	Subject to § 2(2), the Issuer may satisfy its obligations under the Notes also from other distributable assets (<i>sonstiges freies Vermögen</i>) of the Issuer.
5.	Die Aufrechnung von Forderungen aus den Schuldverschreibungen gegen Forderungen der Emittentin ist ausgeschlossen. Den Anleihegläubigern wird für ihre Rechte aus den Schuldverschreibungen keine Sicherheit oder Garantie gestellt; eine solche Sicherheit oder Garantie wird auch zu keinem späteren Zeitpunkt gestellt werden. Bereits gestellte oder zukünftig gestellte Sicherheiten oder Garantien im Zusammenhang mit anderen Verbindlichkeiten der Emittentin haften nicht für Forderungen aus den Schuldverschreibungen.	5.	No Noteholder may set off his claims arising under the Notes against any claims of the Issuer. No collateral or guarantee is, or shall at any time be, provided securing claims of the Noteholders under the Notes. Any collateral or guarantee already provided or granted in the future (as the case may be) in connection with other liabilities of the Issuer may not be used for claims under the Notes.
6.	<i>Zahlungsbedingungen, (vorinsolvenzliches) Zahlungsverbot.</i>	6.	<i>Payment Conditions, (Pre-Insolvency) Payment Prohibition.</i>
	(a) Nachträglich können der Nachrang gemäß § 2(2) nicht beschränkt sowie die Laufzeit der Schuldverschreibungen und jede anwendbare Kündigungsfrist nicht verkürzt werden. Bereits vor der Vornahme von Abwicklungsmaßnahmen in Bezug auf die Emittentin oder einer Auflösung, Liquidation oder Insolvenz der Emittentin oder eines	(a)	No subsequent agreement may limit the subordination pursuant to § 2(2) or shorten the term of the Notes or any applicable notice period. Even prior to the imposition of any resolution measures upon the Issuer, or the dissolution, liquidation, insolvency, or composition of the Issuer, or the opening of other proceedings for the avoidance of insolvency of, or against, the Issuer,

Vergleichs oder eines anderen der Abwendung der Insolvenz dienenden Verfahrens gegen die Emittentin steht jede Zahlung von Zinsen auf die Schuldverschreibungen unter dem Vorbehalt der Erfüllung der Bedingungen gemäß § 3(8) und jede Rückzahlung der Schuldverschreibungen nach Maßgabe von § 5(2), § 5(3) oder § 5(4) und jeder Rückkauf der Schuldverschreibungen nach Maßgabe von § 10(2) unter dem Vorbehalt der Erfüllung der Rückzahlungs- und Rückkaufbedingungen gemäß § 5(5).

- (b) Werden die Schuldverschreibungen unter anderen als den in § 2(2) und § 2(6)(a) beschriebenen Umständen zurückgezahlt oder von der Emittentin zurückerworben, so ist der zurückgezahlte oder gezahlte Betrag der Emittentin ohne Rücksicht auf entgegenstehende Vereinbarungen zurück zu gewähren, sofern nicht die für die Emittentin zuständige Behörde der Rückzahlung oder dem Rückkauf zuvor zugestimmt hat.

7. *Hinweis auf vorinsolvenzliches Zahlungsverbot.* Zu den Anforderungen in § 3(8) und § 5(5) gehören die Bedingungen, dass an dem Tag, an dem der betreffende Betrag von Kapital oder Zinsen zur Zahlung vorgesehen ist, (i) die Emittentin am Tag der relevanten Zahlung weder überschuldet im Sinne von § 19 InsO noch zahlungsunfähig im Sinne von § 17 InsO ist, und (ii) die Zahlung des betreffenden Betrages nicht zu einer Überschuldung im Sinne von § 19 InsO oder Zahlungsunfähigkeit im Sinne von § 17 InsO der Emittentin führt.

Das bedeutet, dass die Emittentin unabhängig von und bereits vor Einleitung eines Insolvenz- oder Liquidationsverfahrens über das Vermögen der Emittentin weder eine vorgesehene Zahlung von Zinsen noch eine Rückzahlung von Kapital vornehmen darf, wenn (i) die Emittentin am Tag der relevanten Zahlung überschuldet im Sinne von § 19 InsO oder zahlungsunfähig im Sinne von § 17 InsO ist, oder (ii) die Zahlung des betreffenden Betrages zu einer Überschuldung im Sinne von § 19 InsO oder Zahlungsunfähigkeit im Sinne von § 17 InsO der Emittentin führen

payment of interest on the Notes will be subject to the conditions set forth in § 3(8) being fulfilled, and any redemption of the Notes pursuant to § 5(2), § 5(3) or § 5(4) and any repurchase of the Notes pursuant to § 10(2) will be subject to the conditions to redemption and repurchase set forth in § 5(5) being fulfilled.

- (b) If the Notes are redeemed or repurchased by the Issuer otherwise than in the circumstances described in § 2(2) and § 2(6)(a), then the amounts redeemed or paid must be returned to the Issuer irrespective of any agreement to the contrary unless the competent authority of the Issuer has given its prior consent to such redemption or repurchase.

7. *Note on payment restrictions prior to an insolvency.* The requirements set forth in § 3(8) and in § 5(5) include the conditions that, on the date on which the relevant amount of principal or interest is scheduled to be paid, (i) the Issuer is neither over-indebted within the meaning of § 19 InsO nor illiquid within the meaning of § 17 InsO on the date of the relevant payment, and (ii) the payment of the relevant amount would not result in an over-indebtedness within the meaning of § 19 InsO or illiquidity within the meaning of § 17 InsO of the Issuer.

This means that irrespective of, and even prior to, the opening of any insolvency or liquidation proceedings over the assets of the Issuer, the Issuer shall not make a scheduled payment of interest or principal if (i) the Issuer is over-indebted within the meaning of § 19 InsO or illiquid within the meaning of § 17 InsO on the date of the relevant payment, or (ii) the payment of the relevant amount would result in an over-indebtedness within the meaning of § 19 InsO or illiquidity within the meaning of § 17 InsO of the Issuer. Such a prohibition on payment may be in effect for an

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

8. *Hinweis auf die Möglichkeit von gesetzlichen Abwicklungsmaßnahmen.* Die zuständige Abwicklungsbehörde kann nach den für die Emittentin geltenden Abwicklungsvorschriften Verbindlichkeiten der Emittentin aus den Schuldverschreibungen vor einer Insolvenz oder Liquidation der Emittentin herabschreiben (bis einschließlich auf null), in Aktien oder andere Eigentumstitel der Emittentin umwandeln oder sonstige Abwicklungsmaßnahmen treffen, einschließlich einer Übertragung der Verbindlichkeiten auf einen anderen Rechtsträger, einer Änderung der Anleihebedingungen oder einer Löschung der Schuldverschreibungen.

Die Ausübung der Befugnis zur Herabschreibung oder Umwandlung oder das Treffen einer Abwicklungsmaßnahme, welche die Schuldverschreibungen betreffen, sind für die Anleihegläubiger verbindlich. Aufgrund der Ausübung der Befugnis zur Herabschreibung oder Umwandlung oder des Treffens einer Abwicklungsmaßnahme bestehen keine Ansprüche oder anderen Rechte der Anleihegläubiger gegen die Emittentin. Insbesondere stellt die Ausübung der Befugnis zur Herabschreibung oder Umwandlung oder das Treffen einer Abwicklungsmaßnahme keine Nichterfüllung dar.

§ 3 Zinsen

1. *Verzinsung, Zinszahlungstage.*
- (a) Vorbehaltlich des Ausschlusses der Zinszahlung nach § 3(8) wird jede Schuldverschreibung in Bezug auf ihren Aktuellen Nennbetrag ab dem 22. Juli 2021 (der "**Verzinsungsbeginn**") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst.
- "**Aktueller Nennbetrag**" bezeichnet in Bezug auf eine Schuldverschreibung: (i) am Begebungstag den Ursprünglichen Nennbetrag und (ii) anschließend

indefinite period of time and even permanently.

8. *Note on the possibility of statutory resolution measures.* Prior to any insolvency or liquidation of the Issuer, under bank resolution laws applicable to the Issuer from time to time, the competent resolution authority may write-down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer or apply any other resolution measure, including any transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes.

The Noteholders shall be bound by the exercise of the power to write down or convert or the taking of any resolution action in respect of the Bonds. No Noteholders shall have any claim or other right against the Issuer arising out of any exercise of the power to write down or convert or the taking of any resolution action. In particular, the exercise of any exercise of the power to write down or convert or the taking of any resolution action shall not constitute a default.

§ 3 Interest

1. *Interest Calculation, Interest Payment Dates.*
- (a) Subject to a cancellation of interest payments pursuant to § 3(8), each Note shall bear interest on the Current Nominal Amount from and including 22 July 2021 (the "**Interest Commencement Date**") to but excluding the first Interest Payment Date, and thereafter from and including each Interest Payment Date to but excluding the next following Interest Payment Date.
- "**Current Nominal Amount**" means, with respect to any Note: (i) at the issue date, the Original Nominal Amount of such Note and (ii) thereafter, the then outstanding

- ihren ggf. um Herabschreibungen nach § 5(8)(b) verminderten (soweit nicht durch Hochschreibungen nach § 5(9) kompensiert) ausstehenden Nennbetrag.
- (b) Zinsen sind vorbehaltlich des Ausschlusses der Zinszahlung nach § 3(8) nachträglich an jedem Zinszahlungstag zur Zahlung vorgesehen.
- "**Zinszahlungstag**" bezeichnet den 15. Dezember eines jeden Jahres. Erster Zinszahlungstag ist der 15. Dezember 2021 (kurze erste Zinsperiode); an dem ersten Zinszahlungstag wird ein anfänglicher Bruchteilszinsbetrag in Höhe von EUR 2.400.000 je Schuldverschreibung gezahlt.
- (c) Der zur Zahlung vorgesehene Zinsbetrag wird gemäß § 3(4)(a) berechnet.
2. *Zinssatz.* Der Zinssatz (der "**Zinssatz**") für jede Zinsperiode (wie in § 3(3) definiert) ist, sofern nachstehend nichts Abweichendes bestimmt wird,
- (a) für den Zeitraum vom Verzinsungsbeginn (einschließlich) bis zum 15. Dezember 2026 (der "**Erste Zinsanpassungstag**") (ausschließlich) ein fester Zinssatz in Höhe von 6,000 % *per annum*, und
- (b) für den Zeitraum ab dem Ersten Zinsanpassungstag (einschließlich) bis zum nächsten Zinsanpassungstag (wie in § 3(3) definiert) (ausschließlich) und danach für den Zeitraum ab jedem Zinsanpassungstag (einschließlich) bis zum nächsten Zinsanpassungstag (ausschließlich) (jeweils ein "**Zinsanpassungszeitraum**") der betreffende Referenzsatz (wie nachstehend in § 3(3) definiert) zuzüglich der ursprünglichen Kreditmarge in Höhe von 6,294 % *per annum*.
3. *Referenzsatz.* Die Berechnungsstelle (wie in § 6(1) definiert) bestimmt für jeden Zinsanpassungstag an dem betreffenden Zinsfestlegungstag den jeweiligen Referenzsatz nach Maßgabe dieses § 3(3).
- nominal amount of such Note as reduced by any write-downs pursuant to § 5(8)(b) (to the extent not compensated by write-ups pursuant to § 5(9)).
- (b) Subject to a cancellation of interest payments pursuant to § 3(8), interest shall be scheduled to be paid in arrear on each Interest Payment Date.
- "**Interest Payment Date**" means 15 December in each year. The first Interest Payment Date is 15 December 2021 (short first interest period); on the first Interest Payment Date an initial broken amount of interest in the amount of EUR 2,400,000 will be paid per Note.
- (c) The amount of interest scheduled to be paid will be determined in accordance with § 3(4)(a).
2. *Rate of Interest.* The rate of interest (the "**Rate of Interest**") for each Interest Period (as defined in § 3(3)) will, except as otherwise provided below, be
- (a) for the period from and including the Interest Commencement Date to but excluding the 15 December 2026 (the "**First Reset Date**") a fixed rate of 6.000 per cent. *per annum*, and
- (b) for the period from and including the First Reset Date to but excluding the next Reset Date (as defined in § 3(3)) and thereafter from and including each Reset Date to but excluding the next Reset Date (each a "**Reset Period**") the applicable Reference Rate (as defined in § 3(3) below) plus the initial credit spread of 6.294 per cent. *per annum*.
3. *Reference Rate.* The Calculation Agent (as defined in § 6(1)) will determine the relevant Reference Rate in accordance with this § 3(3) for each Reset Date on the respective Interest Determination Date.

Der "**Referenzsatz**" für einen Zinsanpassungszeitraum wird von der Berechnungsstelle an dem betreffenden Zinsfestlegungstag (wie nachstehend definiert) vor dem Zinsanpassungstag, an dem der betreffende Zinsanpassungszeitraum beginnt (der "**Referenz-Zinsanpassungstag**"), wie folgt festgelegt:

- (a) Für jeden Zinsanpassungszeitraum, der vor dem Eintritt des jeweiligen Stichtags (wie in § 3(7)(g) definiert) beginnt, entspricht der Referenzsatz dem Ursprünglichen Benchmarksatz an dem betreffenden Zinsfestlegungstag.

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

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

- (b) Für jeden Zinsanpassungszeitraum, der an oder nach dem jeweiligen Stichtag beginnt, wird der Referenzsatz gemäß § 3(7) bestimmt.
- (c) Wenn die Feststellung des Referenzsatzes dazu führen würde, dass ein Aufsichtsrechtliches Ereignis eintritt, entspricht der Referenzsatz für den nächsten und jeden nachfolgenden Zinsanpassungszeitraum dem an dem letzten zurückliegenden Zinsfestlegungstag festgestellten Referenzsatz, wobei, falls dieser § 3(3)(c) bereits an dem Zinsfestlegungstag vor Beginn des ersten Zinsanpassungszeitraums angewendet werden muss, der Referenzsatz für den ersten und jeden nachfolgenden Zinsanpassungszeitraum $-0,310\%$ *per annum* entspricht.

The "**Reference Rate**" for a Reset Period will be determined by the Calculation Agent on the relevant Interest Determination Date (as defined below) prior to the Reset Date on which the relevant Reset Period commences (the "**Reference Reset Date**") as follows:

- (a) For each Reset Period beginning prior to the occurrence of the relevant Effective Date (as defined in § 3(7)(g)), the Reference Rate will be equal to the Original Benchmark Rate on the relevant Interest Determination Date.

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

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

- (b) For each Reset Period commencing on or after the relevant Effective Date, the Reference Rate will be determined in accordance with § 3(7).
- (c) If the determination of the Reference Rate would cause a Regulatory Event, the Reference Rate applicable to the next and each subsequent Reset Period, shall be the Reference Rate determined on the last preceding Interest Determination Date, provided that if this § 3(3)(c) is to be applied on the Interest Determination Date prior to the commencement of the first Reset Period, the Reference Rate applicable to the first and each subsequent Reset Period shall be -0.310% *per annum*.

Dabei gilt Folgendes:

"5-Jahres-Mid-Market-Swapsatz-Angebotssätze" bezeichnet das arithmetische Mittel der Geld- und Briefkurse für die jährliche Festzinsseite (berechnet auf einer 30/360 Tagesberechnungsbasis) einer Euro-Zinsswap-Transaktion fest gegen variabel (i) mit einer Laufzeit von 5 Jahren, die an dem betreffenden Zinsanpassungstag beginnt, (ii) in einem Betrag, der für eine einzelne Transaktion in dem betreffenden Markt zum jeweiligen Zeitpunkt, die mit einem anerkannten Händler guter Bonität im Swap-Markt abgeschlossen wird, repräsentativ ist, und (iii) mit einer variablen Zinsseite (berechnet auf einer Actual/360 Tagesberechnungsbasis), die dem 6-Monats-EURIBOR entspricht.

"Referenzbanken" bezeichnet fünf führende Swap-Händler im Interbankenmarkt.

"Referenzbankensatz" bezeichnet den Prozentsatz, der auf der Grundlage der jährlichen 5-Jahres-Mid-Market-Swapsatz-Angebotssätze ermittelt wird, die der Berechnungsstelle (wie in § 6(1) definiert) um ca. 11:00 Uhr (Ortszeit Frankfurt am Main) am Zinsfestlegungstag von den Referenzbanken zur Verfügung gestellt werden. Falls mindestens drei Angebotssätze zur Verfügung gestellt werden, ist der Satz für den betreffenden Zinsfestlegungstag das arithmetische Mittel dieser Angebotssätze, wobei der höchste Angebotssatz (bzw. bei mehreren gleich hohen Angebotssätzen einer dieser höchsten Sätze) und der niedrigste Angebotssatz (bzw. bei mehreren gleich niedrigen Angebotssätzen einer dieser niedrigsten Sätze) unberücksichtigt bleiben. Falls nur zwei Angebotssätze zur Verfügung gestellt werden, ist der Referenzbankensatz das arithmetische Mittel der zur Verfügung gestellten Angebotssätze. Falls nur ein Angebotssatz zur Verfügung gestellt wird, ist der Referenzbankensatz der zur Verfügung gestellte Angebotssatz.

Die Emittentin wird die Hauptniederlassung jeder Referenzbank bitten, der Berechnungsstelle ihre jährlichen 5-Jahres-Mid-Market-Swapsatz-Angebotssätze mitzuteilen.

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

Where:

"5-year-Mid-Market Swap Rate Quotations" means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which (i) has a term of 5 years commencing on the relevant Reset Date, (ii) 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 (iii) has a floating leg (calculated on an Actual/360 day count basis) that is equivalent to the 6-month EURIBOR rate.

"Reference Banks" means five leading swap dealers in the interbank market.

"Reference Bank Rate" means the percentage rate determined on the basis of the annual 5-year-Mid-Market Swap Rate Quotations provided by the Reference Banks to the Calculation Agent (as defined in § 6(1)) at approximately 11:00 a.m. (Frankfurt am Main time) on the Interest Determination Date. If at least three quotations are provided, the rate for that Interest Determination Date will be the arithmetic mean of the quotations, 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 Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one quotation is provided, the Reference Bank Rate will be the quotation provided.

The Issuer will request the principal office of each of the Reference Banks to provide to the Calculation Agent a quotation of its annual 5-year-Mid-Market Swap Rate Quotations.

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

"Ursprünglicher Benchmarksatz" bezeichnet den jährlichen Swapsatz für Euro-Swap-Transaktionen mit einer Laufzeit von 5 Jahren, ausgedrückt als Prozentsatz, beginnend mit dem betreffenden Zinsanpassungstag, der um 11:00 Uhr (Ortszeit Frankfurt am Main) am maßgeblichen Zinsfestlegungstag auf der Reuters-Bildschirmseite "ICESWAP2/EURFIXA" (bzw. einer Nachfolgesseite) unter der Überschrift "EURIBOR BASIS" und dem Untertitel "11:00 AM Frankfurt time" (wie diese Überschriften und Untertitel jeweils erscheinen) (die "**Bildschirmseite**") angezeigt wird.

"Zinsanpassungstag" bezeichnet den Ersten Zinsanpassungstag und jeden fünften Jahrestag des jeweils unmittelbar vorhergehenden Zinsanpassungstages.

"Zinsfestlegungstag" bezeichnet den zweiten TARGET-Geschäftstag vor dem jeweiligen Zinsanpassungstag.

"Zinsperiode" bezeichnet den jeweiligen Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

4. Zinsbetrag.

- (a) Unverzüglich nach Bestimmung des Referenzsatzes wird die Berechnungsstelle den anwendbaren Zinssatz bestimmen und den auf die Schuldverschreibungen zahlbaren Zinsbetrag in Bezug auf den Aktuellen Nennbetrag (vorbehaltlich § 3(8)) (der "**Zinsbetrag**") für die entsprechenden Zinsperioden bis zum nächsten Zinsanpassungstag berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (vorbehaltlich § 3(8)) auf den Aktuellen Nennbetrag angewendet werden. Der resultierende Betrag wird auf die kleinste Einheit der festgelegten Währung auf- oder abgerundet, wobei 0,5 solcher Einheiten aufgerundet werden.

Im Falle einer Herabschreibung nach § 5(8)(b) werden die Schuldverschreibungen für die gesamte betreffende Zinsperiode, in

"Original Benchmark Rate" means the annual swap rate for euro swap transactions with a 5 year maturity commencing on the relevant Reset Date, expressed as a percentage, as displayed on the Reuters screen "ICESWAP2/EURFIXA" (or any successor page) under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time) (the "**Screen Page**") as at 11:00 a.m. Frankfurt time on the relevant Interest Determination Date.

"Reset Date" means the First Reset Date and any fifth anniversary of the immediately preceding Reset Date.

"Interest Determination Date" means the second TARGET Business Day prior to the relevant Reset Date.

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

4. Interest Amount.

- (a) The Calculation Agent will, without undue delay after the determination of the Reference Rate, determine the applicable Rate of Interest and calculate the amount of interest (the "**Interest Amount**") payable on the Notes in respect of the Current Nominal Amount (subject to § 3(8)) for the relevant Interest Periods until the next Reset Date. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (subject to § 3(8)) to the Current Nominal Amount and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

In the event of a write-down pursuant to § 5(8)(b), each of the Notes shall for the full respective Interest Period in which such write-down occurs only

welcher diese Herabschreibung erfolgt, jeweils nur bezogen auf den dann Aktuellen Nennbetrag verzinst, der entsprechend reduziert wurde, wobei eine etwaige an dem Zinszahlungstag gemäß § 5(9) erfolgende Hochschreibung für diese Zinsperiode unberücksichtigt bleibt und sich erst ab der Zinsperiode auswirkt, die an dem Zinszahlungstag beginnt, zu welchem gemäß § 5(9)(d) die Hochschreibung erfolgt.

"Zinstagequotient" (*Actual/Actual ICMA*) bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages für einen beliebigen Zeitraum (der **"Zinsberechnungszeitraum"**),

- (i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch das Produkt aus (x) der Anzahl von Tagen in der betreffenden Feststellungsperiode und (y) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden; und
- (ii) wenn der Zinsberechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus
 - (A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der der Zinsberechnungszeitraum beginnt, dividiert durch das Produkt aus (x) der Anzahl der Tage in der betreffenden Feststellungsperiode und (y) der Anzahl der Feststellungsperioden, die

bear interest on the then Current Nominal Amount which has been reduced accordingly; a potential write-up pursuant to § 5(9) which may occur on the relevant Interest Payment Date will not be taken into account for such Interest Period and will only become effective from the Interest Period commencing on the Interest Payment Date on which the write-up occurs pursuant to § 5(9)(d).

"Day Count Fraction" (*Actual/Actual ICMA*) means, in respect of the calculation of an amount of interest for any period of time (the **"Interest Calculation Period"**),

- (i) if the Interest Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Interest Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (ii) if the Interest Calculation Period is longer than one Determination Period, the sum of:
 - (A) the number of days in such Interest Calculation Period falling in the Determination Period in which the Interest Calculation Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally

üblicherweise in einem Jahr enden; und

ending in any year; and

(B) die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch das Produkt aus (x) der Anzahl der Tage in der betreffenden Feststellungsperiode und (y) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden.

(B) the number of days in such Interest Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year.

Dabei gilt Folgendes:

Where:

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

"**Determination Period**" means each period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Feststellungstermin**" bezeichnet jeden 15. Dezember.

"**Determination Date**" means each 15 December.

(b) Die Berechnungsstelle wird veranlassen, dass der Zinssatz und der Zinsbetrag für die Zinsperioden bis zum nächsten Zinsanpassungstag der (i) Emittentin, der Zahlstelle und den Anleihegläubigern gemäß § 11 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden Geschäftstag und (ii) jeder Börse, an der die betreffenden Schuldverschreibungen auf Veranlassung der Emittentin zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst, aber keinesfalls später als zu Beginn der Zinsperiode, für die der betreffende Zinssatz und der betreffende Zinsbetrag gelten, mitgeteilt werden.

(b) The Calculation Agent will cause the Rate of Interest and the Interest Amount for the Interest Periods up to the next Reset Date to be notified (i) to the Issuer, to the Paying Agent and to the Noteholders in accordance with § 11 as soon as possible after their determination, but in no event later than the fourth Business Day thereafter and (ii), if required by the rules of any stock exchange on which the Notes are listed from time to time at the request of the Issuer, to such stock exchange as soon as possible after their determination, but in no event later than the first day of the Interest Period in relation to which the relevant Rate of Interest and the relevant Interest Amount apply.

5. *Verbindlichkeit der Festsetzungen.* Alle Bescheinigungen, Mitteilungen, Gutachten,

5. *Determinations Binding.* All certificates, communications, opinions, determinations,

Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Zahlstelle und die Anleihegläubiger bindend.

calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent and the Noteholders.

6. *Auflaufende Zinsen.* Der Zinslauf der Schuldverschreibungen endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, ist der Aktuelle Nennbetrag jeder Schuldverschreibung vom Tag der Fälligkeit an (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen (ausschließlich) in Höhe des gesetzlich festgelegten Zinssatzes für Verzugszinsen² zu verzinsen.

6. *Accrual of Interest.* The Notes shall cease to bear interest from the beginning of the day on which they become due for redemption. If the Issuer fails to make the relevant redemption payment under the Notes when due, each of the Notes will bear interest on its Current Nominal Amount from and including the due date to but excluding the day of actual redemption of the Notes at the statutory default rate of interest.²

7. *Benchmark-Ereignis.* Wenn ein Benchmark-Ereignis (wie in § 3(7)(f) definiert) in Bezug auf den Ursprünglichen Benchmarksatz eintritt, gilt für die Bestimmung des betreffenden Referenzsatzes und die Verzinsung der Schuldverschreibungen gemäß diesem § 3 Folgendes:

7. *Benchmark Event.* If a Benchmark Event (as defined in § 3(7)(f)) occurs in relation to the Original Benchmark Rate, the relevant Reference Rate and the interest on the Notes in accordance with this § 3 will be determined as follows:

(a) *Unabhängiger Berater.* Die Emittentin wird sich bemühen, sobald dies (nach Ansicht der Emittentin) nach Eintritt des Benchmark-Ereignisses und vor dem nächsten Zinsfestlegungstag erforderlich ist, einen Unabhängigen Berater (wie in § 3(7)(f) definiert) zu benennen, der einen Neuen Benchmarksatz (wie in § 3(7)(f) definiert), die Anpassungsmarge (wie in § 3(7)(f) definiert) und etwaige Benchmark-Änderungen (wie in § 3(7)(d) definiert) festlegt.

(a) *Independent Adviser.* The Issuer shall, as soon as this is (in the Issuer's view) required following the occurrence of the Benchmark Event and prior to the next Interest Determination Date, endeavor to appoint an Independent Adviser (as defined in § 3(7)(f)), who will determine a New Benchmark Rate (as defined in § 3(7)(f)), the Adjustment Spread (as defined in § 3(7)(f)) and any Benchmark Amendments (as defined in § 3(7)(d)).

(b) *Ausweichsatz (Fallback Rate).* Wenn vor dem 5. Geschäftstag vor dem betreffenden Zinsfestlegungstag

(b) *Fallback Rate.* If, prior to the 5th Business Day prior to the relevant Interest Determination Date,

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

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

(ii) der ernannte Unabhängige Berater keinen Neuen Benchmarksatz, keine

(ii) the Independent Adviser appointed by it has not determined a New

² Der gesetzliche Zinssatz für Verzugszinsen liegt fünf Prozentpunkte über dem von der Deutschen Bundesbank jeweils veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Bürgerliches Gesetzbuch (BGB). / The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288(1), 247 German Civil Code (*Bürgerliches Gesetzbuch*).

Anpassungsmarge oder keine Benchmark-Änderungen (sofern erforderlich) gemäß diesem § 3(7) festgelegt hat,

Benchmark Rate, the Adjustment Spread or any Benchmark Amendments (if required) in accordance with this § 3(7),

entspricht der Referenzsatz für den nächsten Zinsanpassungszeitraum dem an dem letzten, unmittelbar vor Eintritt des relevanten Stichtags liegenden Zinsfestlegungstag festgestellten Referenzsatz.

the Reference Rate applicable to the next Reset Period shall be equal to the Reference Rate determined on the last Interest Determination Date immediately preceding the occurrence of the relevant Effective Date.

Falls dieser § 3(7)(b) bereits an dem Zinsfestlegungstag für den Ersten Zinsanpassungstag angewendet werden muss, entspricht der Referenzsatz für den ersten Zinsanpassungszeitraum -0,310 % *per annum*.

If this § 3(7)(b) is to be applied on the Interest Determination Date for the First Reset Date, the Reference Rate applicable to the first Reset Period shall be -0.310 per cent. *per annum*.

Falls der gemäß diesem § 3(7)(b) bestimmte Ausweichsatz (*Fallback Rate*) zur Anwendung kommt, wird dieser § 3(7) erneut angewendet, um den Referenzsatz für den nächsten nachfolgenden Zinsanpassungszeitraum (und, sofern notwendig, weitere nachfolgende Zinsanpassungszeiträume) zu bestimmen.

If the fallback rate determined in accordance with this § 3(7)(b) is to be applied, this § 3(7) will be operated again to determine the Reference Rate applicable to the next subsequent (and, if required, further subsequent) Reset Period(s).

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

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

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

- (i) there is a Successor Benchmark Rate, then such Successor Benchmark Rate shall subsequently be the New Benchmark Rate; or
- (ii) there is no Successor Benchmark Rate but that there is an Alternative Benchmark Rate, then such Alternative Benchmark Rate shall subsequently be the New Benchmark Rate.

In beiden Fällen entspricht der Referenzsatz für den unmittelbar nach dem Stichtag beginnenden Zinsanpassungszeitraum und (vorbehaltlich des Eintritts eines weiteren Benchmark-Ereignisses) alle folgenden Zinsanpassungszeiträume dann (x) dem Neuen Benchmarksatz an dem

In either case the Reference Rate for the Reset Period commencing immediately after the Effective Date and (subject to the occurrence of a further Benchmark Event) all following Reset Periods will then be (x) the New Benchmark Rate on the

betreffenden Zinsfestlegungstag zuzüglich (y) der Anpassungsmarge.

- (d) *Benchmark-Änderungen.* Wenn ein Neuer Benchmarksatz und die entsprechende Anpassungsmarge gemäß diesem § 3(7) festgelegt werden, und wenn der Unabhängige Berater feststellt, dass resultierend aus den vorgenannten Festlegungen Änderungen der Bedingungen für die Feststellungen des anwendbaren Zinssatzes notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten (diese Änderungen, die "**Benchmark-Änderungen**"), dann wird der Unabhängige Berater die Benchmark-Änderungen feststellen.

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

- (i) den Referenzsatz einschließlich der "Bildschirmseite" und/oder (in Ersetzung von Buchstabe (a) der Definition des Begriffs "Referenzsatz" in § 3(3)) die Methode zur Bestimmung des Ausweichsatzes (sog. *Fallback Rate*) für den Referenzsatz einschließlich des Referenzbankensatzes; und/oder
- (ii) die Definitionen der Begriffe "Geschäftstag", "Zinsperiode", "Zinstagequotient", "Zinsfestlegungstag" und/oder "Zinszahlungstag" (einschließlich der Feststellung, ob der Referenzsatz vorausschauend vor oder zu Beginn der betreffenden Zinsperiode oder zurückblickend vor oder zu dem Ende der betreffenden Zinsperiode bestimmt wird); und/oder

relevant Interest Determination Date plus (y) the Adjustment Spread.

- (d) *Benchmark Amendments.* If any relevant New Benchmark Rate and the applicable Adjustment Spread are determined in accordance with this § 3(7), and if the Independent Adviser determines that, resulting from the aforementioned determinations, amendments to the conditions for the determinations of the applicable Rate of Interest are necessary to ensure the proper operation of the New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Independent Adviser will determine the Benchmark Amendments.

The Benchmark Amendments may, in particular, include the following conditions of these Terms and Conditions:

- (i) the Reference Rate including the "Screen Page" and/or (in replacement of clause (a) of the definition of the term "Reference Rate" in § 3(3)) the method for determining the fallback rate in relation to the Reference Rate, including the Reference Bank Rate; and/or
- (ii) the definitions of the terms "Business Day", "Interest Period", "Day Count Fraction", "Interest Determination Date" and/or "Interest Payment Date" (including the determination whether the Reference Rate will be determined in advance on or prior to the commencement of the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or

- | | |
|---|---|
| <p>(iii) die Geschäftstagekonvention gemäß § 4(5).</p> | <p>(iii) the business day convention in accordance with § 4(5).</p> |
| <p>(e) <i>Mitteilungen, etc.</i> Die Emittentin wird einen Neuen Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen gemäß diesem § 3(7) der Zahlstelle, der Berechnungsstelle und gemäß § 11 den Anleihegläubigern mitteilen, und zwar sobald eine solche Mitteilung (nach Ansicht der Emittentin) nach deren Feststellung erforderlich ist, spätestens jedoch an dem 5. Geschäftstag vor dem betreffenden Zinsfestlegungstag. Eine solche Mitteilung ist unwiderruflich und hat den Stichtag zu benennen.</p> <p>Der Neue Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen, die jeweils in der Mitteilung benannt werden, sind für die Emittentin, die Zahlstelle, eventuelle weitere Zahlstellen, die Berechnungsstelle und die Anleihegläubiger bindend. Die Anleihebedingungen gelten ab dem Stichtag als durch den Neuen Benchmarksatz, die Anpassungsmarge und die etwaigen Benchmark-Änderungen geändert.</p> <p>Am Tag dieser Mitteilung hat die Emittentin der Zahlstelle und der Berechnungsstelle eine durch zwei Unterschriftsberechtigte der Emittentin unterzeichnete Bescheinigung zu übergeben, die</p> | <p>(e) <i>Notices, etc.</i> The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3(7) to the Paying Agent, the Calculation Agent and, in accordance with § 11, the Noteholders as soon as such notification is (in the Issuer's view) required following the determination thereof, but in any event not later than on the 5th Business Day prior to the relevant Interest Determination Date. Such notice shall be irrevocable and shall specify the Effective Date.</p> <p>The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any), each as specified in such notice, will be binding on the Issuer, the Paying Agent, any additional paying agents, the Calculation Agent and the Noteholders. The Terms and Conditions shall be deemed to have been amended by the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments, if any, with effect from the Effective Date.</p> <p>On the date of such notice, the Issuer shall deliver to the Paying Agent and the Calculation Agent a certificate signed by two authorized signatories of the Issuer</p> |
| <p>(i)</p> <p>(A) bestätigt, dass ein Benchmark-Ereignis eingetreten ist;</p> <p>(B) den nach Maßgabe der Bestimmungen dieses § 3(7) festgestellten Neuen Benchmarksatz benennt;</p> <p>(C) die entsprechende Anpassungsmarge und etwaige</p> | <p>(i)</p> <p>(A) confirming that a Benchmark Event has occurred;</p> <p>(B) specifying the relevant New Benchmark Rate determined in accordance with the provisions of this § 3(7);</p> <p>(C) specifying the applicable Adjustment</p> |

	Benchmark- Änderungen benennt, die jeweils nach Maßgabe der Bestimmungen dieses § 3(7) festgestellt wurden; und	Spread and the Benchmark Amendments (if any), each determined in accordance with the provisions of this § 3(7); and
	(D) den Stichtag benennt; und	(D) specifying the Effective Date; and
(ii)	bestätigt, dass die etwaigen Benchmark-Änderungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten.	(ii) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of the New Benchmark Rate and the applicable Adjustment Spread.
(f)	<i>Definitionen.</i> Zur Verwendung in diesem § 3(7): Die " Anpassungsmarge ", die positiv, negativ oder gleich Null sein kann, wird in Basispunkten ausgedrückt und bezeichnet entweder (a) die Spanne oder (b) das Ergebnis der Anwendung der Formel oder Methode zur Berechnung der Spanne, die	(f) <i>Definitions.</i> As used in this § 3(7): The " Adjustment Spread ", which may be positive, negative or zero, will be expressed in basis points and means either (a) the spread, or (b) the result of the operation of the formula or methodology for calculating the spread, which
	(i) im Fall eines Nachfolge- Benchmarksatzes formell im Zusammenhang mit der Ersetzung des Ursprünglichen Benchmarksatzes durch den Nachfolge- Benchmarksatz von dem Nominierungsgremium empfohlen wird; oder	(i) in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Original Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or
	(ii) (sofern keine Empfehlung gemäß Ziffer (i) abgegeben wurde oder im Fall eines Alternativ- Benchmarksatzes) üblicherweise an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) auf den Neuen Benchmarksatz angewendet wird, um einen industrieweit akzeptierten	(ii) (if no recommendation pursuant to clause (i) has been made, or in the case of an Alternative Benchmark Rate) is customarily applied to the New Benchmark Rate in the international debt capital markets (or, alternatively, the international swap markets) to produce an industry- accepted replacement benchmark rate for the Original Benchmark Rate,

Ersatz-Benchmarksatz für den Ursprünglichen Benchmarksatz zu erzeugen, wobei sämtliche Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden; oder

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

"Alternativ-Benchmarksatz"

bezeichnet eine alternative Benchmark oder einen alternativen Bildschirmsatz, die bzw. der üblicherweise an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) zur Bestimmung eines Mid-Swap-Satzes mit 5-jähriger Laufzeit in EUR angewendet wird, wobei sämtliche Feststellungen durch den Unabhängigen Berater vorgenommen werden.

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

- (i) eine öffentliche Erklärung oder eine Veröffentlichung von Informationen durch oder im Namen der für den Administrator des Ursprünglichen Benchmarksatzes zuständigen

provided that all determinations will be made by the Independent Adviser in its reasonable discretion; or

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

"Alternative Benchmark Rate"

means an alternative benchmark or an alternative screen rate which is customarily applied in the international debt capital markets (or, alternatively, the international swap markets) for the purpose of determining mid swap rates with a 5-year maturity in EUR, provided that all determinations will be made by the Independent Adviser.

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

- (i) a public statement or publication of information by or on behalf of the regulatory supervisor of the Original Benchmark Rate administrator is made, stating that said administrator has ceased or

- | | | |
|-------|--|---|
| | <p>Aufsichtsbehörde
vorgenommen wird, aus der
hervorgeht, dass dieser
Administrator die
Bereitstellung des
Ursprünglichen
Benchmarksatzes dauerhaft
oder auf unbestimmte Zeit
eingestellt hat oder
einstellen wird, es sei denn,
es gibt zum Zeitpunkt der
Erklärung oder
Veröffentlichung keinen
Nachfolgeadministrator,
der den Ursprünglichen
Benchmarksatz weiterhin
bereitstellt; oder</p> | <p>will cease to provide the
Original Benchmark Rate
permanently or indefinitely,
unless, at the time of the
statement or publication,
there is a successor
administrator that will
continue to provide the
Original Benchmark Rate;
or</p> |
| (ii) | <p>eine öffentliche Erklärung
oder eine Veröffentlichung
von Informationen durch
den oder im Namen des
Administrators des
Ursprünglichen
Benchmarksatzes
vorgenommen wird, die
besagt, dass der
Administrator die
Bereitstellung des
Ursprünglichen
Benchmarksatzes dauerhaft
oder auf unbestimmte Zeit
eingestellt hat oder
einstellen wird,
vorausgesetzt, dass es zum
Zeitpunkt der Erklärung
oder Veröffentlichung
keinen Nachfolge-
administrator gibt, der den
Ursprünglichen
Benchmarksatz weiterhin
bereitstellt; oder</p> | <p>(ii) a public statement or
publication of information
by or on behalf of the
Original Benchmark Rate
administrator is made,
stating that said
administrator has ceased or
will cease to provide the
Original Benchmark Rate
permanently or indefinitely,
provided that, at the time of
the statement or
publication, there is no
successor administrator that
will continue to provide the
Original Benchmark Rate;
or</p> |
| (iii) | <p>eine öffentliche Erklärung
durch die oder im Namen
der Aufsichtsbehörde des
Administrators des
Ursprünglichen
Benchmarksatzes
veröffentlicht wird, wonach
der Ursprüngliche
Benchmarksatz ihrer
Ansicht nach nicht mehr
repräsentativ für den
zugrunde liegenden Markt,
den er zu messen vorgibt,
ist oder sein wird, und keine
von der Aufsichtsbehörde
des Administrators des
Ursprünglichen</p> | <p>(iii) a public statement by or on
behalf of the regulatory
supervisor of the Original
Benchmark Rate
administrator is made that,
in its view, the Original
Benchmark Rate is no
longer, or will no longer be,
representative, of the
underlying market it
purports to measure and no
action to remediate such a
situation is taken or
expected to be taken as
required by the regulatory
supervisor of the Original</p> |

	Benchmarksatzes	Benchmark	Rate
	geforderten Maßnahmen zur Behebung einer solchen Situation ergriffen worden sind oder zu erwarten sind; oder	administrator; or	
(iv)	die Verwendung des Ursprünglichen Benchmarksatzes aus irgendeinem Grund nach einem Gesetz oder einer Verordnung, die in Bezug auf die Zahlstellen, die Berechnungsstelle, die Emittentin oder jeden Dritten anwendbar sind, rechtswidrig geworden ist; oder	(iv)	it has become, for any reason, unlawful under any law or regulation applicable to any Paying Agent, the Calculation Agent, the Issuer or any other party to use the Original Benchmark Rate; or
(v)	der Ursprüngliche Benchmarksatz ohne vorherige offizielle Ankündigung durch die Aufsichtsbehörde oder den Administrator dauerhaft nicht mehr veröffentlicht wird.	(v)	the Original Benchmark Rate is permanently no longer published without a previous official announcement by the regulatory supervisor or the administrator.

"Nachfolge-Benchmarksatz"

bezeichnet einen Nachfolger oder Ersatz des Ursprünglichen Benchmarksatzes, der formell durch ein Nominierungsgremium empfohlen wurde.

"Neuer Benchmarksatz" bezeichnet den jeweils gemäß diesem § 3(7) bestimmten Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz.

"Nominierungsgremium"

bezeichnet in Bezug auf die Ersetzung des Ursprünglichen Benchmarksatzes:

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

"Successor Benchmark Rate"

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

"New Benchmark Rate" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with this § 3(7).

"Relevant Nominating Body"

means, in respect of the replacement of the Original Benchmark Rate:

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

(ii) jede Arbeitsgruppe oder jeden Ausschuss gefördert durchgeführt oder mitgeführt von oder gebildet von (a) der Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird, (b) einer Zentralbank oder anderen Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist, (c) einer Gruppe der zuvor genannten Zentralbanken oder anderer Aufsichtsbehörden oder (d) dem Finanzstabilitätsrat (*Financial Stability Board*) oder Teilen davon.

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

(g) Der Stichtag für die Anwendung des Neuen Benchmarksatzes, der Anpassungsmarge und der etwaigen Benchmark-Änderungen gemäß diesem § 3(7) (der "**Stichtag**") ist der Zinsfestlegungstag, der auf den frühesten der folgenden Tage fällt oder diesem nachfolgt:

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

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

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

(g) The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3(7) (the "**Effective Date**") will be the Interest Determination Date falling on or after the earliest of the following dates:

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

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| <p>(ii) den Tag, ab dem der Ursprüngliche Benchmarksatz nicht mehr verwendet werden darf, wenn das Benchmark-Ereignis aufgrund von Ziffer (iv) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder</p> <p>(iii) den Tag des Eintritts des Benchmark-Ereignisses, wenn das Benchmark-Ereignis aufgrund der Ziffer (v) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist.</p> | <p>(ii) if the Benchmark Event has occurred as a result of clause (iv) of the definition of the term "Benchmark Event", the date from which the Original Benchmark Rate may no longer be used; or</p> <p>(iii) if the Benchmark Event has occurred as a result of clause (v) of the definition of the term "Benchmark Event", the date of the occurrence of the Benchmark Event.</p> |
| <p>(h) Wenn ein Benchmark-Ereignis in Bezug auf einen Neuen Benchmarksatz eintritt, gilt dieser § 3(7) entsprechend für die Ersetzung des Neuen Benchmarksatzes durch einen neuen Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz. In diesem Fall gilt jede Bezugnahme in diesem § 3 auf den Begriff "Ursprünglicher Benchmarksatz" als Bezugnahme auf den zuletzt verwendeten Neuen Benchmarksatz.</p> | <p>(h) If a Benchmark Event occurs in relation to any New Benchmark Rate, this § 3(7) shall apply <i>mutatis mutandis</i> to the replacement of such New Benchmark Rate by any new Successor Benchmark Rate or Alternative Benchmark Rate, as the case may be. In this case, any reference in this § 3 to the term "Original Benchmark Rate" shall be deemed to be a reference to the New Benchmark Rate last applied.</p> |
| <p>(i) In diesem § 3 schließt jede Bezugnahme auf den Begriff "Ursprünglicher Benchmarksatz" gegebenenfalls auch eine Bezugnahme auf eine etwaige Teilkomponente des Ursprünglichen Benchmarksatzes ein, wenn in Bezug auf diese Teilkomponente ein Benchmark-Ereignis eingetreten ist.</p> | <p>(i) Any reference in this § 3 to the term "Original Benchmark Rate" shall be deemed to include a reference to any component part thereof, as applicable, if a Benchmark Event has occurred in respect of that component part.</p> |

8. *Ausschluss der Zinszahlung.*

- (a) Die Emittentin hat das Recht, jederzeit die Zinszahlung nach freiem Ermessen ganz oder teilweise entfallen zu lassen. Sie teilt den Anleihegläubigern unverzüglich, spätestens jedoch am betreffenden Zinszahlungstag gemäß § 11 mit, wenn sie von diesem Recht Gebrauch macht. Ein Unterlassen der Benachrichtigung der Anleihegläubiger berührt nicht die Wirksamkeit der Entscheidung über das Entfallen der Zinszahlungen, führt in keinem Fall zu einer Pflicht der Emittentin, eine entfallene Zinszahlung zu einem späteren

8. Cancellation of Interest Payment.

- (a) The Issuer has the right, in its sole discretion and at any time, to cancel all or part of any payment of interest. If the Issuer exercises such right, it shall give notice to the Noteholders in accordance with § 11 without undue delay but no later than on the relevant Interest Payment Date. Any failure to give such notice shall not affect the validity of the decision on the cancellation, shall in no event result in an obligation of the Issuer to make a cancelled interest payment at a later date and shall not constitute a default for any purpose. A notice which has not been given until the

Zeitpunkt nachzuholen, und stellt in keinem Fall eine Pflichtverletzung dar. Eine bis zum betreffenden Zinszahlungstag nicht erfolgte Benachrichtigung ist unverzüglich nachzuholen.

(b) Eine Zinszahlung auf die Schuldverschreibungen ist für die betreffende Zinsperiode ausgeschlossen und entfällt (ohne Einschränkung des Rechts der Emittentin nach § 3(8)(a)):

(i) soweit eine solche Zinszahlung zusammen mit

(A) dem Betrag einer etwaigen Hochschreibung nach § 5(9), die zu dem betreffenden Zinszahlungstag durchgeführt werden soll,

(B) den an demselben Tag geplanten oder erfolgenden und den in dem laufenden Geschäftsjahr der Emittentin bereits erfolgten weiteren Relevanten Ausschüttungen (wie in § 3(9) definiert) auf andere Kernkapitalinstrumente (wie in § 3(9) definiert) und

(C) dem Gesamtbetrag etwaiger Hochschreibungen auf andere AT1-Instrumente, die zu dem betreffenden Zinszahlungstag durchgeführt werden sollen oder in dem laufenden Geschäftsjahr der Emittentin

relevant Interest Payment Date shall be given without undue delay thereafter.

(b) Payment of interest on the Notes for the relevant Interest Period shall be excluded and cancelled (without prejudice to the right of the Issuer pursuant to § 3(8)(a)):

(i) to the extent that such payment of interest together with

(A) the amount of a write-up, if any, in accordance with § 5(9) to be effected as of the relevant Interest Payment Date,

(B) any additional Relevant Distributions (as defined in § 3(9)) that are scheduled to be made or have been made on the same day or that have been made by the Issuer on other Tier 1 Instruments (as defined in § 3(9)) in the then current financial year of the Issuer and

(C) the total amount of write-ups, if any, on any other AT1 Instruments to be effected as of the relevant Interest Payment Date or have been effected in the then current financial year of the Issuer,

durchgeführt
wurden,

die Ausschüttungsfähigen
Posten (wie in § 3(9)
definiert) übersteigen würde,
wobei die
Ausschüttungsfähigen
Posten für diesen Zweck um
einen Betrag erhöht werden,
der bereits als Aufwand für
Ausschüttungen in Bezug auf
Kernkapitalinstrumente (zur
Klarstellung: einschließlich
Zinszahlungen auf die
Schuldverschreibungen) in
die Ermittlung des Gewinns,
der den
Ausschüttungsfähigen
Posten zugrunde liegt,
eingegangen ist; oder

(ii) wenn und soweit eine
zuständige Behörde
anordnet, dass diese
Zinszahlung insgesamt
oder teilweise entfällt; oder

(iii) wenn und soweit ein
anderes gesetzliches oder
behördliches
Ausschüttungsverbot oder
irgendeine andere
Beschränkung von
Ausschüttungen unter den
Anwendbaren
Aufsichtsrechtlichen
Vorschriften besteht; oder

(iv) wenn die Emittentin am
betreffenden
Zinszahlungstag
überschuldet im Sinne von
§ 19 InsO oder
zahlungsunfähig im Sinne
von § 17 InsO ist oder
soweit diese Zinszahlung
zu einer Überschuldung
oder Zahlungsunfähigkeit
der Emittentin führen
würde.

(v) Zu den
Ausschüttungsverboten und
-beschränkungen nach der
vorstehenden Ziffer (iii)
gehören insbesondere:

(A) Ausschüttungs-
beschränkungen
aufgrund der

would exceed the Available
Distributable Items (as
defined in § 3(9)), provided
that, for such purpose, the
Available Distributable
Items shall be increased by
an amount equal to what has
been accounted for as
expenses for distributions in
respect of Tier 1 Instruments
(for the avoidance of doubt:
including payments of
interest on the Notes) in the
determination of the profit on
which the Available
Distributable Items are
based; or

(ii) if and to the extent that a
competent authority orders
that all or part of the
relevant payment of interest
be cancelled; or

(iii) if and to the extent another
prohibition of distributions
is imposed by law or an
authority or any other
restriction to make
distributions exists under
the Applicable Supervisory
Regulations; or

(iv) if the Issuer is over-
indebted within the
meaning of § 19 InsO or
illiquid within the meaning
of § 17 InsO on the relevant
Interest Payment Date or to
the extent that the relevant
payment of interest would
result in an over-
indebtedness or illiquidity
of the Issuer.

(v) Prohibitions and
restrictions of distributions
pursuant to clause (iii)
above may include, but are
not limited to:

(A) any restrictions of
distributions as a
result of non-

	Nichteinhaltung von den dann anwendbaren kombinierten Kapitalpufferanforderungen (wie auch immer in den Anwendbaren Aufsichtsrechtlichen Vorschriften bezeichnet);		compliance with any combined buffer requirement (howsoever described in the Applicable Supervisory Regulations) applicable at the time;
(B)	Ausschüttungsverbote im Zusammenhang mit der Berechnung des Maximal Ausschüttungsfähigen Betrags (wie in § 3(9) definiert);	(B)	any prohibition of distributions in connection with the calculation of the Maximum Distributable Amount (as defined in § 3(9));
(C)	Ausschüttungsbeschränkungen, die sich aus dem Maximal Ausschüttungsfähigen Betrag (wie in § 3(9) definiert) ergeben; und	(C)	any limit resulting from any Maximum Distributable Amount (as defined in § 3(9)); and
(D)	sonstige Ausschüttungsbeschränkungen, die als ausschüttungsfähiger Höchstbetrag gemäß den jeweils Anwendbaren Aufsichtsrechtlichen Vorschriften gelten, die erfordern, dass ein ausschüttungsfähiger Höchstbetrag berechnet wird, wenn die Emittentin und/oder die Gruppe der Emittentin geltende Kapitaladäquanz- oder Puffer-	(D)	any other restriction operating as maximum distributable amount under the then Applicable Supervisory Regulations requiring a maximum distributable amount to be calculated if the Issuer and/or the Issuer's group is failing to meet any capital adequacy or buffer requirement applicable to the Issuer and/or the Issuer's group at the relevant point in time, such as the maximum

Anforderungen nicht erfüllen, die zum betreffenden Zeitpunkt auf die Emittentin und/oder die Gruppe der Emittentin anwendbar sind, wie z.B. der ausschüttungsfähige Höchstbetrag hinsichtlich der Mindestanforderungen für Eigenmittel und berücksichtigungsfähige Verbindlichkeiten (M-MDA), falls zum jeweiligen Zeitpunkt auf die Emittentin anwendbar.

distributable amount related to the minimum requirement for own funds and eligible liabilities (M-MDA) if applicable to the Issuer at the relevant point in time.

Die Emittentin teilt den Anleihegläubigern unverzüglich, spätestens jedoch fünf Geschäftstage nach dem betreffenden Zinszahlungstag gemäß § 11 mit, wenn und in welcher Höhe eine Zinszahlung nach § 3(8)(b) ausgeschlossen ist und entfällt. Ein Unterlassen der Benachrichtigung der Anleihegläubiger berührt nicht die Wirksamkeit des Ausfalls der Zinszahlungen und stellt in keinem Fall eine Pflichtverletzung dar. Eine bis zum betreffenden Zinszahlungstag nicht erfolgte Benachrichtigung ist unverzüglich nachzuholen.

The Issuer shall give notice to the Noteholders in accordance with § 11 without undue delay but no later than five Business Days after the relevant Interest Payment Date if, and to the extent, a payment of interest is excluded and cancelled pursuant to § 3(8)(b). Any failure to give such notice shall not affect the validity of the cancellation and shall not constitute a default for any purpose. A notice which has not been given until the relevant Interest Payment Date shall be given without undue delay thereafter.

(c) Aufgelaufene, aber nicht gezahlte Zinsen auf die Schuldverschreibungen bis (einschließlich) einem Auslöseereignis (wie in § 5(8)(a) definiert) (unabhängig davon, ob solche Zinsen fällig geworden sind) entfallen automatisch. *Zur Klarstellung:* Aufgelaufene, aber nicht gezahlte Zinsen ab dem Auslöseereignis bis zum Herabschreibungs-Stichtag entfallen ebenfalls automatisch, selbst wenn keine entsprechende Mitteilung gemacht wurde.

(c) Any accrued but unpaid interest on the Notes up to and including a Trigger Event (as defined in § 5(8)(a)) (whether or not such interest has become due for payment) will be automatically cancelled. *For the avoidance of doubt:* Any accrued but unpaid interest from the Trigger Event up to the Write-Down Effective Date will also be automatically cancelled even if no notice has been given to that effect.

(d) Die Emittentin ist berechtigt, die Mittel aus entfallenen Zinszahlungen

(d) The Issuer is entitled to use the funds from cancelled payments of interest

uneingeschränkt zur Erfüllung ihrer eigenen Verpflichtungen bei deren Fälligkeit zu nutzen. Soweit Zinszahlungen entfallen, schließt dies sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge (wie in § 7(1) definiert) ein. Entfallene Zinszahlungen werden nicht nachgezahlt.

- (e) Das Entfallen einer Zinszahlung berechtigt die Anleihegläubiger nicht zur Kündigung der Schuldverschreibungen und stellt in keinem Fall eine Pflichtverletzung dar.

9. *Bestimmte Definitionen.*

"Anwendbare Aufsichtsrechtliche Vorschriften" bezeichnet die jeweils gültigen, sich auf die Kapitalanforderungen, die Solvabilität, andere Aufsichtsanforderungen und/oder Abwicklung der Emittentin und/oder der jeweiligen Institutsgruppe, zu der die Emittentin gehört, beziehenden Vorschriften des Bankaufsichtsrechts und der darunter fallenden Verordnungen (einschließlich, jedoch nicht ausschließlich, der jeweils geltenden Leitlinien und Empfehlungen der Europäischen Bankaufsichtsbehörde und/oder der Europäischen Zentralbank, der Verwaltungspraxis einer zuständigen Behörde, den einschlägigen Entscheidungen der Gerichte und den anwendbaren Übergangsbestimmungen).

"Ausschüttungsfähige Posten" bezeichnet in Bezug auf eine Zinszahlung die ausschüttungsfähigen Posten wie in Artikel 4 Absatz 1 Nr. 128 CRR definiert; zum Zeitpunkt der Begebung der Schuldverschreibungen bezeichnet dieser Begriff den Jahresüberschuss am Ende des dem betreffenden Zinszahlungstag unmittelbar vorhergehenden Geschäftsjahres der Emittentin, für das ein testierter Jahresabschluss vorliegt, zuzüglich etwaiger vorgetragener Gewinne und für diesen Zweck verfügbarer Rücklagen, vor der Ausschüttung an die Eigner von Eigenmittelinstrumenten, jedoch abzüglich etwaiger vorgetragener Verluste und gemäß anwendbarer Rechtsvorschriften der Europäischen Union oder Deutschlands oder der Satzung der Emittentin nicht ausschüttungsfähiger Gewinne und in die gemäß anwendbarer Rechtsvorschriften Deutschlands oder der Satzung der Emittentin nicht ausschüttungsfähigen Rücklagen eingestellter Beträge, jeweils in Bezug auf die spezifische

without restrictions for the fulfilment of its own obligations when due. To the extent that payments of interest are cancelled, such cancellation includes all Additional Amounts (as defined in § 7(1)) payable pursuant to § 7. Any payments of interest which have been cancelled will not be made at any later date.

- (e) The cancellation of any interest payment shall not entitle the Noteholders to terminate the Notes and shall not constitute a default for any purpose.

9. *Certain Definitions.*

"Applicable Supervisory Regulations" means the provisions of bank supervisory laws and any regulations and other rules thereunder applicable from time to time (including, but not limited to, the guidelines and recommendations of the European Banking Authority and/or the European Central Bank, the administrative practice of any competent authority, any applicable decision of a court and any applicable transitional provisions) relating to capital adequacy, solvency, other prudential requirements and/or resolution and applicable to the Issuer and/or the banking group to which the Issuer belongs from time to time.

"Available Distributable Items" means, with respect to any payment of interest, the distributable items as defined in Article 4(1) no. 128 CRR; at the time of the issuance of the Notes, such term refers to the annual profit (*Jahresüberschuss*) as of the end of the financial year of the Issuer immediately preceding the relevant Interest Payment Date, for which audited annual financial statements are available, plus any profits brought forward and reserves available for that purpose, before distributions to holders of own funds instruments, less any losses brought forward and any profits which are non-distributable pursuant to the applicable laws of the European Union or Germany or the articles of association of the Issuer and any sums placed in non-distributable reserves in accordance with the applicable laws of Germany or the articles of association of the Issuer, in each case with respect to the specific category of own funds of the Notes as AT1 Instruments to which the applicable laws of the European Union or Germany or the articles of

Eigenmittelkategorie der Schuldverschreibungen als AT1-Instrumente, auf die sich die anwendbaren Rechtsvorschriften der Europäischen Union oder Deutschlands oder die Satzung der Emittentin beziehen, wobei die ausschüttungsfähigen Posten und die betreffenden Gewinne, Verluste und Rücklagen ausgehend von dem handelsrechtlichen Einzelabschluss der Emittentin (und nicht auf der Basis eines etwaigen Konzernabschlusses) festgestellt werden.

Die Ausschüttungsfähigen Posten sind jeweils nach den dann Anwendbaren Aufsichtsrechtlichen Vorschriften zu bestimmen; entsprechend sind nur solche Beträge hinzuzurechnen oder abzuziehen, wie sie nach den Anwendbaren Aufsichtsrechtlichen Vorschriften für diesen Zweck oder für die Ermittlung der auf AT1-Instrumente ausschüttbaren Beträge hinzugerechnet werden dürfen bzw. abzuziehen sind.

"**CRD IV**" bezeichnet die Richtlinie 2013/36/EU in der Fassung wie jeweils geändert oder ersetzt; soweit Bestimmungen der CRD IV geändert oder ersetzt werden, bezieht sich der Verweis auf Bestimmungen der CRD IV in diesen Anleihebedingungen auf die jeweils geänderten Bestimmungen bzw. die Nachfolgeregelungen.

"**Kernkapitalinstrumente**" bezeichnet Kapitalinstrumente, die im Sinne der CRR zu den Instrumenten des harten Kernkapitals oder zu den AT1-Instrumenten zählen.

"**Maximal Ausschüttungsfähiger Betrag**" bezeichnet den (in gegenwärtiger Umsetzung von Artikel 141 Absatz 2 CRD IV in deutsches Recht) nach § 10 Absatz 1 Satz 1 Nr. 5(e) KWG i.V.m. § 37 SolvV ermittelten ausschüttungsfähigen Höchstbetrag für die kombinierte Kapitalpufferanforderung nach § 10i KWG.

"**Relevante Ausschüttung**" bezeichnet jede Art der Auszahlung von Dividenden oder Zinsen, einschließlich jeder Zahlung oder Ausschüttung, die im Rahmen von Ausschüttungsbeschränkungen, die als ausschüttungsfähiger Höchstbetrag gemäß den Anwendbaren Aufsichtsrechtlichen Vorschriften gelten, zu berücksichtigen sind.

"**SolvV**" bezeichnet die Verordnung zur angemessenen Eigenmittelausstattung von Instituten, Institutsgruppen, Finanzholding-

associations of the Issuer relate, provided that the distributable items and the relevant profits, losses and reserves shall be determined on the basis of the unconsolidated financial statements of the Issuer prepared in accordance with German commercial law (and not on the basis of its consolidated financial statements, if any).

The determination of the Available Distributable Items shall be based on the Applicable Supervisory Regulations at the time of the determination and, accordingly, only those amounts shall be added or deducted that may be added or have to be deducted (as the case may be) for purposes of determining the amounts distributable on AT1 Instruments under the Applicable Supervisory Regulations.

"**CRD IV**" means Directive 2013/36/EU, as amended or replaced from time to time; to the extent that any provisions of the CRD IV are amended or replaced, the reference to provisions of the CRD IV as used in these Terms and Conditions shall refer to such amended provisions or successor provisions from time to time.

"**Tier 1 Instruments**" means capital instruments which, according to the CRR, qualify as common equity tier 1 instruments or AT1 Instruments.

"**Maximum Distributable Amount**" means the maximum distributable amount determined in accordance with § 10(1) sentence 1 no. 5 (e) KWG in connection with § 37 SolvV for the combined capital buffer requirement in accordance with § 10i KWG (currently transposing Article 141(2) CRD IV into German law).

"**Relevant Distribution**" means any kind of payment of dividends or interest, including, but not limited to, any payment or distribution as may be relevant under any restriction operating as a maximum distributable amount in accordance with the Applicable Supervisory Regulations.

"**SolvV**" means the regulation on the capital adequacy of institutions, groups of institutions, financial holding groups and

Gruppen und gemischten Finanzholding-Gruppen (Solvabilitätsverordnung – SolvV), in der Fassung wie jeweils geändert oder ersetzt; soweit Bestimmungen der SolvV geändert oder ersetzt werden, bezieht sich der Verweis auf Bestimmungen der SolvV in diesen Anleihebedingungen auf die jeweils geänderten Bestimmungen bzw. die Nachfolgeregelungen.

§ 4 Zahlungen

1. *Allgemeines.*
 - (a) *Zahlungen auf Kapital.* Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe von § 4(2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems außerhalb der Vereinigten Staaten.
 - (b) *Zahlungen von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von § 4(2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.
2. *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der festgelegten Währung.
3. *Vereinigte Staaten.* Für die Zwecke des § 4(1) bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).
4. *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.
5. *Geschäftstagenkonvention.* Fällt der Fälligkeitstag für eine Zahlung von Kapital oder Zins in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Geschäftstag ist, dann haben die Anleihegläubiger keinen Anspruch auf

mixed financial holding groups (*Solvabilitätsverordnung – SolvV*), as amended or replaced from time to time; to the extent that any provisions of the SolvV are amended or replaced, the reference to provisions of the SolvV as used in these Terms and Conditions shall refer to such amended provisions or successor provisions from time to time.

§ 4 Payments

1. *General.*
 - (a) *Payment of Principal.* Payment of principal in respect of the Notes shall be made in accordance with § 4(2) to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System outside the United States.
 - (b) *Payment of Interest.* Payment of interest on Notes shall be made in accordance with § 4(2) to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
2. *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.
3. *United States.* For purposes of § 4(1), "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).
4. *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.
5. *Business Day Convention.* If the date for payment of any principal or interest in respect of any Note is not a Business Day then the Noteholders shall not be entitled to payment until the next Business Day and shall not be

Zahlung vor dem nächsten Geschäftstag und sind nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verschiebung zu verlangen.

"**Geschäftstag**" bezeichnet jeden Tag (außer einem Samstag oder Sonntag), an dem das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) geöffnet ist und Geschäftsbanken und Devisenmärkte in Frankfurt am Main und das Clearing System Zahlungen in Euro abwickeln.

6. *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Aktuellen Nennbetrag der Schuldverschreibungen sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf Schuldverschreibungen schließen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge (wie in § 7(1) definiert) ein.
7. *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Oldenburg Zins- oder Kapitalbeträge zu hinterlegen, die von den Anleihegläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Anleihegläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die jeweiligen Ansprüche der Anleihegläubiger gegen die Emittentin.

§ 5

Rückzahlung; Herabschreibungen; Hochschreibungen

1. *Keine Endfälligkeit.* Die Schuldverschreibungen haben keinen Endfälligkeitstag.
2. *Rückzahlung nach Wahl der Emittentin.* Die Emittentin ist vorbehaltlich der Erfüllung der Rückzahlungs- und Rückkaufbedingungen gemäß § 5(5) und der Voraussetzungen des § 5(6) berechtigt, die Schuldverschreibungen insgesamt, jedoch nicht teilweise, mit einer Frist von nicht weniger als 15 und nicht mehr als 30 Tagen zu jedem Optionalen Rückzahlungstag (wie nachstehend definiert) zur Rückzahlung fällig zu stellen und die Schuldverschreibungen an dem in der Kündigungserklärung angegebenen

entitled to further interest or other payment in respect of such delay.

"**Business Day**" means any day (other than Saturday or Sunday) on which the Trans-European Automated Real-time Gross Settlement Express Transfer system 2 (TARGET2) is open and commercial banks and foreign exchange markets in Frankfurt am Main and the Clearing System settle payments in Euro.

6. *References to Principal and Interest.* References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable, the following amounts: the Current Nominal Amount of the Notes and any other amounts which may be payable under or in respect of the Notes. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7 (as defined in § 7(1)).

7. *Deposit of Principal and Interest.* The Issuer may deposit with the local court in Oldenburg amounts of interest or principal not claimed by the Noteholders within twelve months after the due date, even though such Noteholders may not be in default of acceptance of payment. If and to the extent that such deposit is effected and the right of withdrawal is waived, the respective claims of such Noteholders against the Issuer shall cease.

§ 5

Redemption; Write-downs; Write-ups

1. *No Scheduled Maturity.* The Notes have no scheduled maturity date.
2. *Redemption at the Option of the Issuer.* The Issuer may, subject to the Conditions to Redemption and Repurchase pursuant to § 5(5) and the conditions set out in § 5(6) being met, redeem the Notes, in whole but not in part, upon not less than 15 and not more than 30 days' prior notice, with effect as of any Optional Redemption Date (as defined below) at their Redemption Amount (as defined in § 5(6)) together with interest (if any) accrued (subject to a cancellation of interest payment pursuant to § 3(8)) to, but excluding the

Optionalen Rückzahlungstag zu ihrem Rückzahlungsbetrag (wie in § 5(6) definiert) zuzüglich bis zu diesem Optionalen Rückzahlungstag (ausschließlich) (vorbehaltlich eines Ausschlusses der Zinszahlung nach § 3(8)) aufgelaufener Zinsen zurückzuzahlen.

"Optionaler Rückzahlungstag" bezeichnet:

(i) jeden Geschäftstag während des Zeitraums ab dem 22. Juli 2026 (einschließlich) bis zum Ersten Zinsanpassungstag (ausschließlich);

(ii) den Ersten Zinsanpassungstag; und

(iii) jeden auf den Ersten Zinsanpassungstag folgenden Zinszahlungstag.

3. *Rückzahlung aus regulatorischen Gründen.* Die Emittentin ist vorbehaltlich der Erfüllung der Rückzahlungs- und Rückkaufbedingungen gemäß § 5(5) berechtigt, die Schuldverschreibungen jederzeit insgesamt, jedoch nicht teilweise, mit einer Frist von nicht weniger als 15 und nicht mehr als 30 Tagen jederzeit zur Rückzahlung fällig zu stellen und an dem für die Rückzahlung festgesetzten Tag zu ihrem Rückzahlungsbetrag (wie in § 5(6) definiert) zuzüglich bis zum für die Rückzahlung festgesetzten Tag (ausschließlich) (vorbehaltlich eines Ausschlusses der Zinszahlung nach § 3(8)) aufgelaufener Zinsen zurückzuzahlen, falls sich die aufsichtsrechtliche Einstufung der Schuldverschreibungen ändert, was wahrscheinlich zu (i) ihrem vollständigen oder teilweisen Ausschluss von den Eigenmitteln der Emittentin im Sinne der CRR oder (ii) ihrer Neueinstufung als Eigenmittel geringerer Qualität als am Begebungstag führen würde, vorausgesetzt, dass bei einer Rückzahlung vor dem fünften Jahrestag des Tags der Begebung der Schuldverschreibungen die Bedingungen in Artikel 78 Absatz 4 Buchstabe (a) CRR erfüllt sind, nach denen die zuständige Behörde eine solche Rückzahlung nur gestatten kann, wenn (i) sie es für ausreichend sicher hält, dass eine Änderung der aufsichtsrechtlichen Einstufung stattfindet und (ii) die Emittentin ihr hinreichend nachgewiesen hat, dass die aufsichtsrechtliche Neueinstufung am Begebungstag nicht vernünftigerweise vorherzusehen war.

Zur Klarstellung: Der vollständige oder teilweise Ausschluss von den Eigenmitteln

Optional Redemption Date on the Optional Redemption Date specified in the redemption notice.

"Optional Redemption Date" means:

(i) any Business Day falling in the period from and including 22 July 2026 to, but excluding the First Reset Date;

(ii) the First Reset Date; and

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

3. *Redemption for Regulatory Reasons.* The Issuer may, subject to the Conditions to Redemption and Repurchase pursuant to § 5(5) being met, redeem the Notes, in whole but not in part, upon not less than 15 and not more than 30 days' prior notice, at any time at their Redemption Amount (as defined in § 5(6)) together with interest (if any) accrued (subject to a cancellation of interest payment pursuant to § 3(8)) to, but excluding the date fixed for redemption on the date fixed for redemption if there is a change in the regulatory classification of the Notes that would be likely to result in (i) their exclusion in full or in part from the Issuer's own funds under the CRR or (ii) a reclassification as a lower quality form of the Issuer's own funds than their classification as of the issue date, provided that in respect of a redemption prior to the fifth anniversary of the issue date of the Notes the conditions in Article 78(4)(a) CRR are met, pursuant to which the competent authority may approve such redemption only if (i) it considers the change in the regulatory classification to be sufficiently certain and (ii) the Issuer demonstrated to its satisfaction that the regulatory reclassification of the Notes was not reasonably foreseeable at the issue date.

For the avoidance of doubt: The exclusion in full or in part from the own funds due to a

infolge einer Herabschreibung nach § 5(8)(b) begründet kein Kündigungsrecht nach diesem § 5(3).

4. *Rückzahlung aus steuerlichen Gründen.* Die Emittentin ist vorbehaltlich der Erfüllung der Rückzahlungs- und Rückkaufbedingungen gemäß § 5(5) berechtigt, die Schuldverschreibungen insgesamt, jedoch nicht teilweise, mit einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen jederzeit zur Rückzahlung fällig zu stellen und an dem für die Rückzahlung festgesetzten Tag zu ihrem Rückzahlungsbetrag (wie in § 5(6) definiert) zuzüglich bis zum für die Rückzahlung festgesetzten Tag (ausschließlich) (vorbehaltlich eines Ausschlusses der Zinszahlung nach § 3(8)) aufgelaufener Zinsen zurückzuzahlen, falls sich die steuerliche Behandlung der Schuldverschreibungen in Folge einer nach dem Verzinsungsbeginn eingetretenen Rechts- oder Rechtsprechungsänderung, einschließlich einer Änderung von steuerrechtlichen Gesetzen, Regelungen oder Verfahrensweisen, ändert (d.h. im Hinblick auf die steuerliche Abzugsfähigkeit der unter den Schuldverschreibungen zu zahlenden Zinsen oder die Verpflichtung zur Zahlung von zusätzlichen Beträgen (wie in § 7(1) definiert)) und, bei einer Rückzahlung vor dem fünften Jahrestag des Tags der Begebung der Schuldverschreibungen, die Bedingungen in Artikel 78 Absatz 4 Buchstabe (b) CRR erfüllt sind, nach denen die zuständige Behörde eine solche Rückzahlung nur gestatten kann, wenn sich die geltende steuerliche Behandlung der Schuldverschreibungen ändert und die Emittentin ihr hinreichend nachgewiesen hat, dass die Änderung der steuerlichen Behandlung wesentlich ist und am Begebungstag nicht vernünftigerweise vorherzusehen war.

Eine Änderung der steuerlichen Behandlung der Schuldverschreibungen, die zu einem Einbehalt oder Abzug von Steuern auf die auf die Schuldverschreibungen zu zahlenden Beträge führt, die jedoch zu keiner Verpflichtung der Emittentin zur Zahlung von zusätzlichen Beträgen (wie in § 7(1) definiert) führt, begründet kein Kündigungsrecht gemäß diesem § 5(4).

write-down pursuant to § 5(8)(b) does not constitute a right to redeem under this § 5(3).

4. *Redemption for Reasons of Taxation.* The Issuer may, subject to the Conditions to Redemption and Repurchase pursuant to § 5(5) being met, redeem the Notes, in whole but not in part, upon not less than 30 and not more than 60 days' prior notice, at any time at their Redemption Amount (as defined in § 5(6)) together with interest (if any) accrued (subject to a cancellation of interest payment pursuant to § 3(8)) to, but excluding the date fixed for redemption on the date fixed for redemption if the tax treatment of the Notes, due to a change in applicable legislation or relevant jurisprudence, including any change in any fiscal legislation, rules or practices, which takes effect after the Interest Commencement Date, changes (i.e. the tax deductibility of interest payable on the Notes or the obligation to pay Additional Amounts (as defined in § 7(1))) and, in respect of a redemption prior to the fifth anniversary of the issue date of the Notes, the conditions in Article 78(4)(b) CRR are met, pursuant to which the competent authority may approve such redemption only if there is a change in the applicable tax treatment of the Notes which the Issuer demonstrated to its satisfaction is material and was not reasonably foreseeable at the issue date.

Any changes in the tax treatment of the Notes resulting in a withholding or deduction of taxes on amounts payable in respect of the Notes which, however, do not create an obligation of the Issuer to pay Additional Amounts (as defined in § 7(1)), will not constitute a right to redeem the Notes pursuant to this § 5(4).

5. *Einholung der Zustimmung der zuständigen Behörde, Kündigungserklärung, Rückzahlung/Rückkauf und Rückzahlungs- und Rückkaufbedingungen.*

- (a) Im Falle einer Rückzahlung gemäß diesem § 5 oder eines Rückkaufs nach § 10(2) ist die Emittentin verpflichtet, die vorherige Zustimmung der zuständigen Behörde gemäß Artikel 77, 78 CRR einzuholen.

Zum Zeitpunkt der Begebung der Schuldverschreibungen setzt eine Zustimmung gemäß Artikel 77, 78 CRR Folgendes voraus:

- (i) Eine der folgenden Bedingungen muss erfüllt sein:
- (A) die Emittentin ersetzt die Schuldverschreibungen vor oder gleichzeitig mit der Rückzahlung oder dem Rückkauf durch Eigenmittelinstrumente zumindest gleicher Qualität zu Bedingungen, die im Hinblick auf die Ertragsmöglichkeiten der Emittentin nachhaltig sind; oder
- (B) die Emittentin hat der zuständigen Behörde hinreichend nachgewiesen, dass ihre Eigenmittel und berücksichtigungsfähigen Verbindlichkeiten nach der Rückzahlung oder dem Rückkauf die Anforderungen nach den Anwendbaren Aufsichtsrechtlichen

5. *Obtaining of permission of competent authority, redemption notice, Redemption/Repurchase and Conditions to Redemption and Repurchase.*

- (a) In the event of a redemption of the Notes pursuant to this § 5 or any repurchase pursuant to § 10(2), the Issuer is required to obtain the prior permission of the competent authority in accordance with Articles 77, 78 CRR.

At the time of the issuance of the Notes, permission pursuant to Articles 77, 78 CRR requires the following:

- (i) Either of the following conditions must be met:
- (A) before or at the same time as the redemption or the repurchase, the Issuer replaces the Notes with own fund instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
- (B) the Issuer has demonstrated to the satisfaction of the competent authority that the own funds and eligible liabilities of the Issuer would, following such redemption or repurchase, exceed the requirements laid down in the Applicable Supervisory Regulations by a margin that the

Vorschriften um eine Spanne übersteigen, die die zuständige Behörde für erforderlich hält,

competent authority considers necessary,

wobei die zuständige Behörde der Emittentin für eine Rückzahlung oder einen Rückkauf eine allgemeine vorherige Zustimmung für einen bestimmten Zeitraum, der auf ein Jahr begrenzt ist und danach verlängert werden kann, und einen vorab von der zuständigen Behörde festgelegten Betrag erteilen kann, die Kriterien unterliegt, die sicherstellen, dass jede derartige Rückzahlung bzw. jeder derartige Rückkauf im Einklang mit den oben unter (A) oder (B) festgelegten Bedingungen vonstattengeht, wenn die Emittentin ausreichende Vorkehrungen hinsichtlich ihrer Fähigkeit trifft, mit Eigenmitteln, die die in den Anwendbaren Aufsichtsrechtlichen Vorschriften vorgeschriebenen Beträge übersteigen, tätig zu sein.

provided that the competent authority may grant the Issuer a general prior permission to make a redemption or a repurchase for a specified period, which shall not exceed one year, after which it may be renewed, and for a certain predetermined amount as set by the competent authority, subject to criteria that ensure that any such redemption or repurchase will be in accordance with the conditions set out in points (A) and (B) above, if the Issuer provides sufficient safeguards as to its capacity to operate with own funds above the amounts required in the Applicable Supervisory Regulations.

(ii) Zusätzlich gilt bei einer Rückzahlung bzw. einem Rückkauf vor dem fünften Jahrestag des Tags der Begebung der Schuldverschreibungen Folgendes:

(ii) In addition, in the event of a redemption or, as the case may be, a repurchase prior to the fifth anniversary of the issue date of the Notes the following applies:

(A) Im Falle einer Kündigung aus regulatorischen oder steuerlichen Gründen müssen die in § 5(3) bzw. § 5(4) genannten Bedingungen erfüllt sein.

(A) In case of a redemption for regulatory reasons or reasons of taxation, the conditions in § 5(3) or, as the case may be, § 5(4) must be met.

(B) Ein Rückkauf von Schuldverschreibungen, oder eine Rückzahlung, welche die unter Buchstabe (A)

(B) A repurchase of Notes, or a redemption that does not meet the conditions set forth under

beschriebenen Vorgaben nicht erfüllt, ist nur zulässig, wenn die Emittentin die Schuldverschreibungen vor oder gleichzeitig mit dem Rückkauf oder der Rückzahlung durch Eigenmittelinstrumente zumindest gleicher Qualität zu Bedingungen, die im Hinblick auf die Ertragsmöglichkeiten der Emittentin nachhaltig sind, ersetzt und die zuständige Behörde den Rückkauf auf der Grundlage der Feststellung erlaubt hat, dass sie aus aufsichtlicher Sicht vorteilhaft und durch außergewöhnliche Umstände gerechtfertigt ist.

clause (A) requires either that before or at the same time of the repurchase or redemption the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the competent authority has permitted the repurchase on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances.

(iii) Die Emittentin darf die Schuldverschreibungen nur zurückzahlen, wenn (i) sie am Rückzahlungstag weder überschuldet im Sinne von § 19 InsO noch zahlungsunfähig im Sinne von § 17 InsO ist und (ii) die Zahlung des Rückzahlungsbetrages nicht zu einer Überschuldung oder Zahlungsunfähigkeit der Emittentin führt.

(iii) The Issuer may only redeem the Notes if (i) it is neither over-indebted within the meaning of § 19 InsO nor illiquid within the meaning of § 17 InsO on the date of redemption and (ii) the payment of the Redemption Amount does not result in an over-indebtedness or illiquidity of the Issuer.

§ 41 InsO bleibt unberührt.

§ 41 InsO remains unaffected.

(iv) Ungeachtet der in Ziffern (i) bis (iii) genannten Bedingungen, falls die zum Zeitpunkt der Rückzahlung oder des Rückkaufs Anwendbaren

(iv) Notwithstanding the conditions referred to in clauses (i) to (iii), if, at the time of any redemption or repurchase, the Applicable Supervisory Regulations

Aufsichtsrechtlichen Vorschriften eine Rückzahlung oder einen Rückkauf nur zulassen, wenn eine solche Rückzahlung oder ein solcher Rückkauf im Einklang mit zumindest einer der oben genannten alternativen oder weiteren Voraussetzung steht, dann muss die Emittentin jeder dieser etwaigen anderen und/oder zusätzlichen Voraussetzungen (wie jeweils anwendbar) entsprechen.

permit the redemption or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out above, the Issuer shall comply with such other and/or, as applicable, additional pre-conditions, if any.

(v) *Zur Klarstellung:* Die Nichterteilung der Zustimmung gemäß Artikel 77, 78 CRR durch die zuständige Behörde stellt in keinem Fall eine Pflichtverletzung dar.

(v) *For the avoidance of doubt,* any refusal of the competent authority to grant permission in accordance with Articles 77, 78 CRR shall not constitute a default for any purpose.

(b) Eine Erklärung der Rückzahlung nach § 5(2), (3) oder (4) hat gemäß § 11 zu erfolgen. Sie muss den für die Rückzahlung festgelegten Termin und im Falle einer Rückzahlung nach § 5(3) oder (4) den Grund für die Rückzahlung nennen.

(b) A notice pursuant to § 5(2), (3) or (4) shall be given in accordance with § 11. Such notice shall state the date fixed for redemption and, in the case of a notice pursuant to § 5(3) or (4), the reason for the redemption.

(c) Die Emittentin darf die Kündigung nicht erklären, wenn ein Auslöseereignis eingetreten ist und dieses noch fort dauert.

(c) The Issuer shall not give a notice of redemption if a Trigger Event has occurred and is continuing.

Wenn ein Auslöseereignis nach der Erklärung einer Kündigung, jedoch vor dem betreffenden Rückzahlungstag eintritt, wird die Kündigungserklärung automatisch als zurückgenommen sowie nichtig behandelt und die betreffende Rückzahlung darf nicht erfolgen; in einem solchen Fall gelten die Rechte und Pflichten aus den Schuldverschreibungen unverändert fort.

If a Trigger Event occurs after a notice of redemption was given but prior to the relevant date of redemption, the relevant notice of redemption shall automatically be deemed revoked and null and void, the corresponding redemption shall not be made, and the rights and obligations in respect of the Notes shall remain unchanged.

6. *Kündigung nach erfolgter Hochschreibung; Rückzahlungsbetrag.* Die Emittentin kann ihr Rückzahlungsrecht nach § 5(2) nur ausüben, wenn etwaige Herabschreibungen nach § 5(8)(b) wieder gemäß § 5(9) vollständig auf den Ursprünglichen Nennbetrag hochgeschrieben worden sind.

6. *Redemption after Write-Up; Redemption Amount.* The Issuer may exercise its redemption right pursuant to § 5(2) only if any write-downs pursuant to § 5(8)(b) have been fully written up to the Original Nominal Amount in accordance with § 5(9).

Im Übrigen steht die Ausübung der Kündigungsrechte nach § 5(2), (3) und (4) im alleinigen Ermessen der Emittentin.

Der "**Rückzahlungsbetrag**" einer Schuldverschreibung entspricht ihrem dann Aktuellen Nennbetrag, soweit nicht zuvor bereits zurückgezahlt oder angekauft und entwertet.

7. *Kein Kündigungsrecht der Anleihegläubiger.* Die Anleihegläubiger sind zur Kündigung der Schuldverschreibungen nicht berechtigt.

8. *Herabschreibung.*

(a) *Auslöseereignis.* Bei Eintritt eines Auslöseereignisses ist der Aktuelle Nennbetrag jeder Schuldverschreibung um den Betrag der betreffenden Herabschreibung zu reduzieren.

Ein "**Auslöseereignis**" tritt ein, wenn zu irgendeinem Zeitpunkt die in Artikel 92 Absatz 1 Buchstabe (a) CRR genannte harte Kernkapitalquote der Emittentin (die "**Harte Kernkapitalquote**") (i) auf Einzelinstitutsbasis oder (ii) auf konsolidierter Basis unter 5,125 % (die "**Mindest-CET1-Quote**") fällt, wobei (x) ein Auslöseereignis wegen Unterschreitens der Mindest-CET1-Quote auf Einzelinstitutsbasis jederzeit eintreten kann, (y) ein Auslöseereignis wegen Unterschreitens der Mindest-CET1-Quote auf konsolidierter Basis jedoch nur eintreten kann, wenn die Emittentin künftig nach den Anwendbaren Aufsichtsrechtlichen Vorschriften oder aufgrund behördlicher Anordnung verpflichtet sein sollte, die Aufsichtsanforderungen auch auf konsolidierter Basis einzuhalten und zu diesem Zweck die Harte Kernkapitalquote auf konsolidierter Basis zu ermitteln. Ob ein Auslöseereignis eingetreten ist, wird von der Emittentin, der zuständigen Behörde oder einem für diesen Zweck von der zuständigen Behörde Beauftragten festgestellt; diese Feststellung ist für die Anleihegläubiger bindend.

Notwithstanding the above, the exercise of the redemption rights pursuant to § 5(2), (3) and (4) shall be at the sole discretion of the Issuer.

"**Redemption Amount**" of each Note, unless previously redeemed or repurchased and cancelled, shall be the then Current Nominal Amount of such Note.

7. *No Call Right of the Noteholders.* The Noteholders shall have no right to call the Notes for redemption.

8. *Write-down.*

(a) *Trigger Event.* Upon the occurrence of a Trigger Event, the Current Nominal Amount of each Note shall be reduced by the amount of the relevant write-down.

A "**Trigger Event**" occurs if, at any time, the common equity tier 1 capital ratio pursuant to Article 92(1)(a) CRR of the Issuer (the "**Common Equity Tier 1 Capital Ratio**"), determined on either (i) a solo basis or (ii) a consolidated basis, falls below 5.125 per cent. (the "**Minimum CET1 Ratio**"), provided that (x) while the Trigger Event in respect of the Minimum CET1 Ratio determined on a solo basis may occur at any time, (y) a Trigger Event in respect of the Minimum CET1 Ratio determined on a consolidated basis shall only occur if the Issuer should, in the future pursuant to the Applicable Supervisory Regulations or an administrative order, be required to comply with the prudential requirements on a consolidated basis as well and, for this purpose, to determine the Minimum CET1 Ratio on a consolidated basis. Whether a Trigger Event has occurred shall be determined by the Issuer, the competent authority or any agent appointed for such purpose by the competent authority, and such determination will be binding on the Noteholders.

Zur Klarstellung: Ein Auslöseereignis kann zu jeder Zeit festgestellt werden und mehrfach eintreten.

Zur Klarstellung: Der Eintritt eines Auslöseereignisses berechtigt die Anleihegläubiger nicht zur Kündigung der Schuldverschreibungen und stellt keine Pflichtverletzung der Emittentin dar.

- (b) *Herabschreibung.* Im Falle eines Auslöseereignisses ist eine Herabschreibung *pro rata* mit sämtlichen anderen AT1-Instrumenten, die eine Herabschreibung (gleichviel ob permanent oder temporär) oder eine Wandlung in Instrumente des harten Kernkapitals bei Eintritt dieses Auslöseereignisses vorsehen, vorzunehmen. Wenn im Falle eines Auslöseereignisses auch andere AT1-Instrumente herabzuschreiben oder in Instrumente des harten Kernkapitals zu wandeln sind, die nach ihren jeweiligen Bedingungen als Auslöseereignis das Unterschreiten einer Harten Kernkapitalquote vorsehen, die auf oder über der Mindest-CET1-Quote liegt (zusammen mit den Schuldverschreibungen die "**Relevanten AT1-Instrumente**"), richtet sich das Verhältnis bzw. die Reihenfolge, in welcher für die jeweils herabzuschreibenden oder in Instrumente des harten Kernkapitals zu wandelnden Instrumente eine Herabschreibung oder Wandlung vorzunehmen ist, nach den Anwendbaren Aufsichtsrechtlichen Vorschriften. Wird dieses Verhältnis bzw. diese Reihenfolge nicht durch die Anwendbaren Aufsichtsrechtlichen Vorschriften vorgegeben, so gilt Folgendes:

- (i) Eine Herabschreibung gemäß diesem § 5(8)(b) erfolgt, vorbehaltlich der Regelung des nachstehenden Satzes, *pro rata* mit sämtlichen anderen Relevanten AT1-Instrumenten.

Dabei werden die Schuldverschreibungen und

For the avoidance of doubt: A Trigger Event may be determined at any time and may occur on more than one occasion.

For the avoidance of doubt: The occurrence of a Trigger Event shall not entitle the Noteholders to call the Notes for redemption and shall not constitute a default of the Issuer.

- (b) *Write-down.* Upon the occurrence of a Trigger Event, a write-down shall be effected *pro rata* with all of the Issuer's other AT1 Instruments which provide for a write-down (whether permanent or temporary) or a conversion into common equity tier 1 capital instruments upon the occurrence of such Trigger Event. If upon the occurrence of a Trigger Event other AT1 Instruments are also subject to a write-down or are subject to conversion into common equity tier 1 capital instruments, where the respective conditions provide for a trigger event at a Common Equity Tier 1 Capital Ratio level that is at or above the Minimum CET1 Ratio (together with the Notes the "**Relevant AT1 Instruments**"), any such write-down or conversion will occur in such order of application or ratio as required in accordance with the Applicable Supervisory Regulations. If no such order or ratio is required by the Applicable Supervisory Regulations, the following applies:

- (i) Any write-down pursuant to this § 5(8)(b) will, subject to the provision set out in the following sentence, be effected *pro rata* with all other Relevant AT1 Instruments.

The Notes and all other Relevant AT1 Instruments

sämtliche andere Relevante AT1-Instrumente jeweils nur insoweit an einer Herabschreibung bzw. einer Wandlung in Instrumente des harten Kernkapitals beteiligt, wie dies insgesamt erforderlich ist, damit die Harte Kernkapitalquote (i) auf konsolidierter Basis und (ii) auf Einzelinstitutsbasis (jeweils nur wenn und solange die Emittentin nach den Anwendbaren Aufsichtsrechtlichen Vorschriften oder aufgrund behördlicher Anordnung verpflichtet ist, die Harte Kernkapitalquote insoweit zu bestimmen) diejenige Quote wieder erreicht, die in deren jeweiligen Bedingungen als Quote für das die Herabschreibung und/oder die Wandlung in Instrumente des harten Kernkapitals auslösende Ereignis festgelegt ist; wobei die Summe der Herabschreibungen und Wandlungen insgesamt auf den gesamten, im Zeitpunkt des Eintritts des Auslöseereignisses ausstehenden Nennbetrag der Relevanten AT1-Instrumente beschränkt ist.

(ii) Jedes andere Relevante AT1-Instrument, das insgesamt, jedoch nicht teilweise, herabgeschrieben oder gewandelt werden kann, wird für den Zweck der Bestimmung der relevanten *pro rata*-Beträge für eine Herabschreibung und die Berechnung des Betrags der Herabschreibung so behandelt, als ob seine Bedingungen eine teilweise Herabschreibung oder Wandlung vorsehen würden.

(c) Die Vornahme von Herabschreibungen in Bezug auf die Schuldverschreibungen hängt nicht

will in the aggregate only be written-down or (as the case may be) converted into common equity tier 1 capital instruments to the extent required to restore the Common Equity Tier 1 Capital Ratio as determined on (i) a consolidated basis and (ii) a solo basis (in each case only if and as long as the Issuer is required pursuant to the Applicable Supervisory Regulations or an administrative order to determine the ratio on such level) to the ratio provided for in their respective terms as the ratio triggering the event resulting in such write-down and/or conversion into common equity tier 1 capital instruments; provided that the total amount of the write-downs and conversions shall not exceed the sum of the outstanding principal amounts of the Relevant AT1 Instruments at the time of occurrence of the Trigger Event.

(ii) Any other Relevant AT1 Instrument that may be written down or converted in full but not in part will, for the purposes of determining the relevant *pro rata* amounts for a write-down and calculation of the written-down amount, be treated as if its terms permit a partial write-down or conversion.

(c) Effecting a write-down in respect of the Notes shall not be dependent on the effectiveness or implementation

von der Wirksamkeit oder Durchführung einer Herabschreibung oder Wandlung anderer Instrumente ab und ist unabhängig davon gemäß § 5(8)(b) vorzunehmen. *Zur Klarstellung:* Soweit die Herabschreibung oder die Wandlung in Instrumente des harten Kernkapitals unter einem oder mehreren der anderen AT1-Instrumente der Emittentin aus irgendeinem Grund nicht wirksam ist oder nicht durchgeführt wird, wird diese unwirksame oder nicht durchgeführte Herabschreibung oder Wandlung bei der Bestimmung des Betrags der Herabschreibung der Schuldverschreibungen nach § 5(8)(b) nicht berücksichtigt.

Die Summe der in Bezug auf die Schuldverschreibungen vorzunehmenden Herabschreibungen ist auf die Summe der Aktuellen Nennbeträge aller zum Zeitpunkt des Eintritts des jeweiligen Auslöseereignisses ausstehenden Schuldverschreibungen beschränkt.

- (d) Im Falle des Eintritts eines Auslöseereignisses wird die Emittentin:
- (i) unverzüglich die für sie zuständige Behörde sowie gemäß § 11 die Anleihegläubiger der Schuldverschreibungen von dem Eintritt dieses Auslöseereignisses sowie des Umstandes, dass eine Herabschreibung vorzunehmen ist, unterrichten, und
 - (ii) unverzüglich, spätestens jedoch innerhalb eines Monats (soweit die für sie zuständige Behörde diese Frist nicht verkürzt) die bezogen auf die jeweilige Schuldverschreibung vorzunehmende Herabschreibung und den daraus resultierenden neuen Aktuellen Nennbetrag feststellen und (A) der zuständigen Behörde, (B) den Anleihegläubigern der Schuldverschreibungen gemäß § 11, (C) der

of a write-down or conversion of other instruments and any such non-effectiveness or non-implementation shall not prejudice the effecting of a write-down pursuant to § 5(8)(b). *For the avoidance of doubt:* To the extent that the write-down or the conversion into common equity tier 1 capital instruments of one or more of the other AT1 Instruments of the Issuer is not effective or is not implemented for any reason, such non-effective or non-implemented write-down or conversion will not be taken into account when determining the written-down amount in respect of the Notes under § 5(8)(b).

The sum of the write-downs to be effected with respect to the Notes shall be limited to the aggregate Current Nominal Amount of all Notes outstanding at the time of occurrence of the relevant Trigger Event.

- (d) Upon the occurrence of a Trigger Event, the Issuer shall:
- (i) inform the competent authority of the Issuer and, in accordance with § 11, the Noteholders without undue delay about the occurrence of such Trigger Event and the fact that a write-down will have to be effected, and
 - (ii) determine the write-down to be effected without undue delay, but not later than within one month (unless the competent authority of the Issuer shortens such period), and notify such write-down in relation to each Note together with the resultant new Current Nominal Amount (A) to the competent authority, (B) to the Noteholders in accordance with § 11, (C) to the Calculation

Berechnungsstelle und der Zahlstelle sowie (D) jeder Börse, an der die betreffenden Schuldverschreibungen auf Veranlassung der Emittentin zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, mitteilen.

Agent and the Paying Agent and (D), if required by the rules of any stock exchange on which the Notes are listed from time to time at the request of the Issuer, to such stock exchange.

- (e) Die Herabschreibung wird automatisch und unwiderruflich vorgenommen (ohne dass es einer Zustimmung der Anleihegläubiger bedarf), und der Aktuelle Nennbetrag jeder Schuldverschreibung wird um den in der Mitteilung angegebenen Betrag herabgesetzt, und zwar mit Wirkung ab dem Herabschreibungs-Stichtag.

- (e) With effect as from the Write-Down Effective Date, the write-down will be effected automatically and irrevocably (without the need for the consent of Noteholders) and the Current Nominal Amount of each Note will be reduced by the amount specified in the notice.

"Herabschreibungs-Stichtag"

bezeichnet den Tag, an dem die Herabschreibung wirksam wird, wobei dieser Tag spätestens einen Monat (oder gegebenenfalls nach einem von der zuständige Behörde verlangten kürzeren Zeitraum) nach Eintritt des betreffenden Auslöseereignisses liegt.

"Write-Down Effective Date" means the date on which the write-down will take effect, being no later than one month (or such shorter period as the competent authority may require) following the occurrence of the relevant Trigger Event.

Ein Unterlassen der Mitteilungen nach § 5(8)(d)(i) und/oder (ii) berührt nicht die Wirksamkeit einer Herabschreibung und diese gilt mit Wirkung ab dem Herabschreibungs-Stichtag in der Höhe des von der Emittentin festgestellten Betrags als vorgenommen. Eine nicht erfolgte Mitteilung ist unverzüglich nachzuholen.

Any failure to give notices pursuant to § 5(8)(d)(i) and/or (ii) will not affect the effectiveness of, or otherwise invalidate, any write-down and such write-down shall be deemed effected, on the basis of the written-down amount determined by the Issuer, with effect as from the Write-Down Effective Date. A notice which has not been given shall be given without undue delay.

9. *Hochschreibung.*

9. *Write-up.*

- (a) Nach der Vornahme einer Herabschreibung können der Aktuelle Nennbetrag jeder Schuldverschreibung in jedem der Geschäftsjahre der Emittentin nach der Herabschreibung bis zur vollständigen Höhe des Ursprünglichen Nennbetrags (soweit nicht zuvor zurückgezahlt oder angekauft und entwertet) nach Maßgabe der folgenden Regelungen dieses § 5(9) wieder hochgeschrieben werden, soweit ein entsprechender Jahresüberschuss

- (a) After a write-down has been effected, the Current Nominal Amount of each Note, unless previously redeemed or repurchased and cancelled, may be written up in accordance with the following provisions of this § 5(9) in each of the financial years of the Issuer subsequent to the occurrence of such write-down until the full Original Nominal Amount has been reached, to the extent that a corresponding annual profit (*Jahresüberschuss*) is calculated (i) on the basis of the

(i) nach dem handelsrechtlichen Einzelabschluss der Emittentin und (ii) auf konsolidierter Ebene zur Verfügung steht, wobei der niedrigere der beiden in (i) und (ii) bezeichneten Beträge den relevanten Jahresüberschuss bestimmt und mithin hierdurch jeweils kein Jahresfehlbetrag entsteht oder erhöht würde. Die Hochschreibung erfolgt mit Wirkung ab dem Zinszahlungstag (einschließlich), der unmittelbar auf das Geschäftsjahr der Emittentin folgt, für das der betreffende Jahresüberschuss festgestellt wurde.

(b) Die Hochschreibung erfolgt gleichrangig mit der Hochschreibung anderer AT1-Instrumente.

(c) Die Vornahme einer Hochschreibung steht vorbehaltlich der nachfolgenden Vorgaben (i) bis (v) im Ermessen der Emittentin. Insbesondere kann die Emittentin auch dann ganz oder teilweise von einer Hochschreibung absehen, wenn ein Jahresüberschuss zur Verfügung steht und die Vorgaben (i) bis (v) erfüllt sind.

(i) Soweit der festgestellte bzw. festzustellende Jahresüberschuss für die Hochschreibung der Schuldverschreibungen und die Hochschreibung anderer, mit einem vergleichbaren Auslöseereignis (ggf. mit einer abweichenden harten Kernkapitalquote als Auslöser) ausgestatteter AT1-Instrumente (einschließlich der Schuldverschreibungen die "**Herabgeschriebenen AT1-Instrumente**"; zur Klarstellung: dieser Begriff schließt solche Instrumente aus, die nur nach den Übergangsbestimmungen der CRR als Posten des zusätzlichen Kernkapitals qualifizieren) zu verwenden ist und nach Maßgabe von (ii) und (iii)

financial statements of the Issuer prepared in accordance with German commercial law and (ii) on the basis of the consolidated financial statements of the Issuer, whereby the lower of the two amounts set out in (i) and (ii) shall determine the relevant annual profit (*Jahresüberschuss*) and the write-up will in neither case give rise to or increase an annual loss (*Jahresfehlbetrag*). The write-up will occur with effect as from and including the Interest Payment Date immediately following the financial year of the Issuer for which the relevant annual profit (*Jahresüberschuss*) was determined.

(b) The write-up shall be effected *pari passu* with write-ups of other AT1 Instruments.

(c) Subject to the conditions set out in (i) to (v), it shall be at the discretion of the Issuer to effect a write-up. In particular, the Issuer may effect a write-up only in part or effect no write-up at all even if an annual profit (*Jahresüberschuss*) is recorded and the conditions (i) to (v) are fulfilled.

(i) To the extent that the annual profit (*Jahresüberschuss*) determined or to be determined is to be used for a write-up of the Notes and a write-up of any other AT1 Instruments, the terms of which provide for a similar Trigger Event (also if such terms provide for a different common equity tier 1 capital ratio as trigger) (together with the Notes, the "**Written Down AT1 Instruments**"; for the avoidance of doubt: such term excludes instruments that qualify as additional tier 1 items solely pursuant to transitional provisions under the CRR), and is available in accordance with (ii) and (iii) below, such write-up shall be effected *pro rata* in

zur Verfügung steht, erfolgt die Hochschreibung *pro rata* nach Maßgabe der ursprünglichen Nennbeträge der Herabgeschriebenen AT1-Instrumente.

- (ii) Der Höchstbetrag, der insgesamt für die Hochschreibung der Schuldverschreibungen und anderer, Herabgeschriebener AT1-Instrumente sowie die Zahlung von Zinsen und anderen Ausschüttungen auf Herabgeschriebene AT1-Instrumente verwendet werden kann, errechnet sich nach den technischen Regulierungsstandards und den im Übrigen im Zeitpunkt der Berechnung des Höchstbetrags für Hochschreibungen anwendbaren Anforderungen. Zum Zeitpunkt der Begebung der Schuldverschreibungen gilt für die Berechnung folgende Formel:

$$H = \frac{J \times S}{T1}$$

"H" bezeichnet den für die Hochschreibung der Herabgeschriebenen AT1-Instrumente und Ausschüttungen auf Herabgeschriebene AT1-Instrumente zur Verfügung stehenden Höchstbetrag;

"J" bezeichnet den niedrigeren der folgenden Beträge:

- (i) den festgestellten bzw. festzustellenden Jahresüberschuss des vorangegangenen Geschäftsjahres aus dem nicht konsolidierten handelsrechtlichen Jahresabschluss der Emittentin; bzw.

proportion to the original nominal amounts of the Written Down AT1 Instruments.

- (ii) The maximum total amount that may be used for a write-up of the Notes and of other Written Down AT1 Instruments and for the payment of interest and other distributions on Written Down AT1 Instruments shall be calculated in accordance with the regulatory technical standards and the other requirements applicable at the time of the calculation of the maximum total amount for write-ups. At the time of the issuance of the Notes, the calculation is based on the following formula:

$$H = \frac{J \times S}{T1}$$

"H" means the maximum amount available for the write-up of the Written Down AT1 Instruments and distributions on Written Down AT1 Instruments;

"J" means the lower of the following amounts:

- (i) the annual profit (*Jahresüberschuss*) determined or to be determined for the previous financial year on the basis of the unconsolidated annual financial statements of the Issuer prepared in accordance with German commercial law; or

(ii) den festgestellten bzw. festzustellenden Jahresüberschuss des vorangegangenen Geschäftsjahres aus dem konsolidierten Jahresabschluss der Emittentin;

"S" bezeichnet die Summe der ursprünglichen Nennbeträge der Herabgeschriebenen AT1-Instrumente (d.h. vor Vornahme von Herabschreibungen infolge eines Auslöseereignisses);

"T1" bezeichnet den Betrag des Kernkapitals der Emittentin unmittelbar vor Vornahme der Hochschreibung.

Der Höchstbetrag "H" ist von der Emittentin nach den technischen Regulierungsstandards und den im Übrigen im Zeitpunkt der Bestimmung anwendbaren Anforderungen zu bestimmen und der so bestimmte Betrag der Hochschreibung zugrunde zu legen, ohne dass es einer Änderung dieser Ziffer (ii) bedürfte.

(iii) Insgesamt darf die Summe der Beträge der Hochschreibungen auf Herabgeschriebene AT1-Instrumente zusammen mit etwaigen Dividenden und anderen Ausschüttungen in Bezug auf Aktien und andere Instrumente des harten Kernkapitals der Emittentin (einschließlich auch der Zinszahlungen und anderen Ausschüttungen auf Herabgeschriebene AT1-Instrumente) in Bezug auf das betreffende Geschäftsjahr den Maximal Ausschüttungsfähigen Betrag (wie in § 3(9) definiert) oder einen anderen maximal ausschüttungsfähigen

(ii) the annual profit (*Jahresüberschuss*) determined or to be determined for the previous financial year on the basis of the consolidated annual financial statements of the Issuer;

"S" means the sum of the original nominal amounts of the Written Down AT1 Instruments (i.e. before write-downs due to a Trigger Event have been effected);

"T1" means the amount of the tier 1 capital of the Issuer immediately before the write-up is effected.

The maximum amount "H" shall be determined by the Issuer in accordance with the regulatory technical standards and the other requirements applicable at the time of determination, and the write-up shall be based on the amount so determined without requiring any amendment to this clause (ii).

(iii) In total, the sum of the amounts of the write-ups of Written Down AT1 Instruments together with the amounts of any dividend payments and other distributions on shares and other common equity tier 1 capital instruments of the Issuer (including the payment of interest and other distributions on Written Down AT1 Instruments) for the relevant financial year must not exceed the Maximum Distributable Amount (as defined in § 3(9)) and any other maximum distributable amount as described in § 3(8)(b)(v) and applicable in accordance with the

	Betrag, wie in § 3(8)(b)(v) und gemäß den Anwendbaren Aufsichtsrechtlichen Vorschriften vorgeschrieben, nicht überschreiten.	Applicable Supervisory Regulations.
(iv)	Hochschreibungen der Schuldverschreibungen gehen Dividenden und anderen Ausschüttungen in Bezug auf Aktien und andere Instrumente des harten Kernkapitals der Emittentin nicht vor, d.h. diese können auch dann vorgenommen werden, solange keine vollständige Hochschreibung erfolgt ist.	(iv) Write-ups of the Notes do not have priority over dividend payments and other distributions on shares and other common equity tier 1 capital instruments of the Issuer, i.e. such payments and distributions are permitted even if no full write-up has been effected.
(v)	Zum Zeitpunkt einer Hochschreibung darf kein Auslöseereignis fortbestehen. Eine Hochschreibung ist zudem ausgeschlossen, soweit diese zu dem Eintritt eines Auslöseereignisses führen würde.	(v) At the time of a write-up, there must not exist any Trigger Event that is continuing. A write-up is also excluded if such write-up would give rise to the occurrence of a Trigger Event.
(d)	Wenn sich die Emittentin für die Vornahme einer Hochschreibung nach den Bestimmungen dieses § 5(9) entscheidet, wird sie unverzüglich gemäß § 11 die Anleihegläubiger, die Berechnungsstelle, die Zahlstelle sowie jede Börse, an der die Schuldverschreibungen auf Veranlassung der Emittentin zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, von der Vornahme der Hochschreibung unterrichten und den Hochschreibungsbetrag als Prozentsatz des Ursprünglichen Nennbetrags der Schuldverschreibungen, den neuen Aktuellen Nennbetrag und den Zinszahlungstag, an dem die Hochschreibung bewirkt werden soll (der " Hochschreibungstag "), benennen. Die Hochschreibung ist vorgenommen (und der jeweilige Aktuelle Nennbetrag der Schuldverschreibungen ist mit Wirkung zum Hochschreibungstag erhöht wie in der Mitteilung angegeben), wenn die Abgabe der	(d) If the Issuer elects to effect a write-up in accordance with the provisions of this § 5(9), it shall without undue delay give notice to the Noteholders in accordance with § 11, to the Calculation Agent, to the Paying Agent and, if required by the rules of any stock exchange on which the Notes are listed from time to time at the request of the Issuer, to such stock exchange, of the write-up specifying the amount of the write-up as a percentage of the Original Nominal Amount of the Notes, the new Current Nominal Amount and the Interest Payment Date on which the write-up will become effective (the " Write-Up Date "). The write-up shall be deemed to be effected at the time when the notice to the Noteholders is given in accordance with § 11 and the Current Nominal Amount of each Note shall be increased in the amount as specified in the notice with effect as of the Write-Up Date.

Mitteilung an die Anleihegläubiger gemäß § 11 erfolgt ist.

§ 6

Die Zahlstelle und die Berechnungsstelle

1. *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Zahlstelle, die anfänglich bestellte Berechnungsstelle und deren jeweilige anfänglich bezeichnete Geschäftsstelle lauten wie folgt:

Zahlstelle:

**Oldenburgische Landesbank
Aktiengesellschaft**
Stau 15/17
26122 Oldenburg
Deutschland

Berechnungsstelle:

**Oldenburgische Landesbank
Aktiengesellschaft**
Stau 15/17
26122 Oldenburg
Deutschland

Die Zahlstelle und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre jeweilige bezeichnete Geschäftsstelle durch eine andere bezeichnete Geschäftsstelle in demselben Land zu ersetzen.

2. *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Berechnungsstelle oder einer Zahlstelle zu ändern oder zu beenden und eine andere Berechnungsstelle oder zusätzliche oder andere Zahlstellen zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle und eine Berechnungsstelle unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß § 11 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.
3. *Beauftragte der Emittentin.* Die Berechnungsstelle und die Zahlstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Anleihegläubigern, und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

§ 6

Paying Agent and Calculation Agent

1. *Appointment; Specified Office.* The initial Paying Agent and the initial Calculation Agent and their respective initial specified offices are:

Paying Agent:

**Oldenburgische Landesbank
Aktiengesellschaft**
Stau 15/17
26122 Oldenburg
Germany

Calculation Agent:

**Oldenburgische Landesbank
Aktiengesellschaft**
Stau 15/17
26122 Oldenburg
Germany

The Paying Agent and the Calculation Agent reserve the right at any time to change their respective specified office to some other specified offices in the same country.

2. *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Calculation Agent or the Paying Agent and to appoint another Calculation Agent or additional or other Paying Agents. The Issuer shall at all times maintain a Paying Agent and a Calculation Agent. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with § 11.
3. *Agents of the Issuer.* The Calculation Agent and the Paying Agent act solely as agents of the Issuer and do not have any obligations towards, or relationship of agency or trust to, any of the Noteholders.

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| <p>4. <i>Berechnungen der Berechnungsstelle.</i> Sämtliche Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieser Anleihebedingungen gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht vorsätzliches Fehlverhalten oder ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Anleihegläubiger und die Zahlstelle(n) bindend.</p> | <p>4. <i>Calculations made by the Calculation Agent.</i> All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Terms and Conditions by the Calculation Agent shall (in the absence of wilful misconduct or manifest error) be binding upon the Issuer, the Noteholders and the Paying Agent(s).</p> |
| <p>5. Wenn die Emittentin gemäß diesen Anleihebedingungen einen Unabhängigen Berater bestellt, dann sind § 6(3) und (4) entsprechend auf den Unabhängigen Berater anzuwenden.</p> | <p>5. If the Issuer appoints an Independent Adviser in accordance with these Terms and Conditions, § 6(3) and (4) shall apply <i>mutatis mutandis</i> to the Independent Adviser.</p> |

**§ 7
Steuern**

**§ 7
Taxation**

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| <p>1. <i>Quellensteuern und Zusätzliche Beträge.</i> Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Falls die Emittentin gesetzlich zu einem solchen Einbehalt oder Abzug in Bezug auf Zinszahlungen (nicht jedoch Zahlungen auf Kapital in Bezug auf Schuldverschreibungen) verpflichtet ist, wird die Emittentin (vorbehaltlich § 3(8)) diejenigen zusätzlichen Beträge (die "zusätzlichen Beträge") zahlen, die erforderlich sind, damit die den Anleihegläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Anleihegläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:</p> <p>(a) von einer als depotführende Stelle oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen einen Abzug oder Einbehalt vornimmt; oder</p> | <p>1. <i>Withholding Taxes and Additional Amounts.</i> All amounts payable in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or in or for the account of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. If the Issuer is required by law to make such withholding or deduction on payments of interest (but not in respect of the payment of any principal in respect of the Notes), the Issuer shall (subject to § 3(8)) pay such additional amounts ("Additional Amounts") as shall be necessary in order that the net amounts received by the Noteholders, after such withholding or deduction, shall equal the respective amounts which would otherwise have been receivable by the Noteholders in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:</p> <p>(a) are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments made by it; or</p> |
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| (b) | wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Anleihegläubigers zu Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder | (b) | are payable by reason of the Noteholder having, or having had, some personal or business connection with Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, Germany; or |
| (c) | denen der Anleihegläubiger nicht unterläge, wenn er seine Anleihegläubigerstellung binnen 30 Tagen nach Fälligkeit oder, falls die notwendigen Beträge der Zahlstelle bei Fälligkeit nicht zur Verfügung gestellt worden sind, binnen 30 Tagen nach dem Tag, an dem diese Mittel der Zahlstelle zur Verfügung gestellt worden sind und dies gemäß § 11 bekannt gemacht wurde, der Zahlstelle hinreichend nachgewiesen hätte; oder | (c) | to which the Noteholder would not be subject if it had sufficiently demonstrated to the Paying Agent its status as a Noteholder within 30 days from the due date for payment, or, if the necessary funds were not provided to the Paying Agent when due, within 30 days from the date on which such funds are provided to the Paying Agent and a notice to that effect has been published in accordance with § 11; or |
| (d) | von einer Zahlstelle abgezogen oder einbehalten werden, wenn die Zahlung von einer anderen Zahlstelle ohne den Abzug oder Einbehalt hätte vorgenommen werden können; oder | (d) | are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding; or |
| (e) | nicht zu entrichten wären, wenn die Schuldverschreibungen bei einem Kreditinstitut verwahrt und die Zahlungen von diesem eingezogen worden wären, oder | (e) | would not be payable if the Notes had been kept in safe custody with, and the payments had been collected by, a banking institution; or |
| (f) | wegen einer Rechtsänderung oder einer Änderung in der Rechtsanwendung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 11 wirksam wird; oder | (f) | are payable by reason of a change in a law or administrative practice that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 11, whichever occurs later; or |
| (g) | durch die Erfüllung von gesetzlichen Anforderungen oder durch die Vorlage einer Nichtansässigkeitserklärung oder durch die sonstige Geltendmachung eines Anspruchs auf Befreiung gegenüber der betreffenden Steuerbehörde vermeidbar sind oder gewesen wären; oder | (g) | are avoidable or would have been avoidable through compliance with statutory requirements or through the submission of a declaration of non-residence or by otherwise enforcing a claim for exemption at the relevant tax authority; or |

- (h) wegen Festsetzung von Steuern auf den Erwerb von Todes wegen, den Erbanfall, die schenkweise Übertragung, den Umsatz, einen Übertragungsvorgang, das Vermögen oder einen vergleichbaren steuerbaren Vorgang oder wegen einer anderen von einer staatlichen Stelle wegen eines solchen Vorgangs festgesetzten Geldleistungspflicht zu zahlen sind; oder
- (i) abgezogen oder einbehalten werden, weil der wirtschaftliche Eigentümer der Schuldverschreibungen nicht selbst rechtlicher Eigentümer (Anleihegläubiger) der Schuldverschreibungen ist und der Abzug oder Einbehalt bei Zahlungen an den wirtschaftlichen Eigentümer nicht erfolgt wäre oder eine Zahlung zusätzlicher Beträge bei einer Zahlung an den wirtschaftlichen Eigentümer nach Maßgabe der vorstehenden Regelungen hätte vermieden werden können, wenn dieser zugleich rechtlicher Eigentümer (Anleihegläubiger) der Schuldverschreibungen gewesen wäre.

2. FATCA. Die Verpflichtung der Emittentin zur Zahlung von zusätzlichen Beträgen findet keine Anwendung auf Steuern oder Abgaben, die nur zu zahlen sind auf Grund einer Nichteinhaltung von Anforderungen durch den Anleihegläubiger oder den wirtschaftlichen Eigentümer (oder ein Finanzinstitut, durch das der Anleihegläubiger oder der wirtschaftliche Eigentümer die Schuldverschreibungen hält oder durch die eine Zahlung auf die Schuldverschreibungen zu leisten ist) in Bezug auf eine Zertifizierung, Information, Identifikation, Dokumentation oder andere Mitteilungen (einschließlich dem Abschluss und der Einhaltung von Vereinbarungen mit dem U.S. Internal Revenue Service) gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der am Tag der Ausgabe der Schuldverschreibungen geltenden Fassung oder gemäß geänderter oder nachfolgender Bestimmungen, soweit diese geänderten oder nachfolgenden Bestimmungen nicht wesentlich beschwerlicher sind als jene am Tag der Ausgabe geltenden Fassung) oder gemäß zwischenstaatlicher Abkommen zwischen den Vereinigten Staaten und einem anderen Staat

- (h) by reason of any estate, inheritance, gift, sales, transfer, personal property or any similar tax assessment or other governmental charge; or
- (i) are deducted or withheld because the beneficial owner of the Notes is not itself their legal owner (Noteholder) and the deduction or withholding in respect of payments to the beneficial owner would not have been made or the payment of Additional Amounts in respect of a payment to the beneficial owner in accordance with the above provisions could have been avoided if the latter had also been the legal owner (Noteholder) of the Notes.

2. FATCA. The obligation of the Issuer to pay Additional Amounts shall not apply to any taxes or duties that would not have been imposed but for a failure by the Noteholder or beneficial owner (or any financial institution through which the Noteholder or beneficial owner holds any Note or through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to, or under an intergovernmental agreement entered into between the United States and the government of another country in order to implement the requirements of, Sections 1471 through 1474 of the U.S. Internal Revenue Code as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date.

zur Umsetzung der Anforderungen aus diesen Normen.

**§ 8
Vorlegungsfrist**

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

**§ 9
Änderung der Anleihebedingungen,
Gemeinsamer Vertreter**

1. *Änderung der Anleihebedingungen.* Die Anleihegläubiger können vorbehaltlich der Einhaltung der aufsichtsrechtlichen Voraussetzungen für die Anerkennung der Schuldverschreibungen als AT1-Instrumente und (falls aufsichtsrechtlich erforderlich) der Zustimmung der zuständigen Behörde entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (*Schuldverschreibungsgesetz – "SchVG"*) durch einen Beschluss mit der in § 9(2) bestimmten Mehrheit über einen im SchVG zugelassenen Gegenstand eine Änderung der Anleihebedingungen mit der Emittentin vereinbaren. Die Emittentin wird die zuständige Behörde vor Durchführung der Abstimmung von den zur Abstimmung vorzulegenden Änderungen der Anleihebedingungen unterrichten. Zur Klarstellung: Die Anleihebedingungen können nicht ohne Zustimmung der Emittentin geändert werden.

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

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

**§ 8
Term of presentation**

The presentation period provided in § 801(1) sentence 1 of the German Civil Code (BGB) is reduced to ten years for the Notes

**§ 9
Amendments to the Terms and Conditions,
Noteholders' Representative**

1. Amendment to the Terms and Conditions. In accordance with the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen – "SchVG"*), the Noteholders may, subject to compliance with the requirements of regulatory law for the recognition of the Notes as AT1 Instruments and (if necessary under applicable regulatory laws) the permission of the competent authority, agree with the Issuer on amendments to the Terms and Conditions with regard to matters permitted by the SchVG by resolution with the majority specified in § 9(2). The Issuer will notify the competent authority of changes to the Terms and Conditions to be submitted for voting prior to the voting. For the avoidance of doubt: The Terms and Conditions may not be amended without the consent of the Issuer.

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

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

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| <p>3. <i>Abstimmung ohne Versammlung.</i> Alle Abstimmungen werden ausschließlich im Wege der Abstimmung ohne Versammlung durchgeführt. Eine Anleihegläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18 Absatz 4 Satz 2 SchVG statt.</p> | <p>3. <i>Vote without a meeting.</i> All votes will be taken exclusively by vote taken without a meeting. A meeting of Noteholders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18(4) sentence 2 SchVG.</p> |
| <p>4. <i>Leitung der Abstimmung.</i> Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der gemeinsame Vertreter der Anleihegläubiger (wie gemäß § 9(6) bestellt) zur Abstimmung aufgefordert hat, vom gemeinsamen Vertreter der Anleihegläubiger geleitet.</p> | <p>4. <i>Chair of the vote.</i> The vote will be chaired by a notary appointed by the Issuer or, if the Noteholders' Representative (as appointed pursuant to § 9(6)) has convened the vote, by the Noteholders' Representative.</p> |
| <p>5. <i>Stimmrecht.</i> An Abstimmungen der Anleihegläubiger nimmt jeder Anleihegläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil. Das Stimmrecht ruht, solange die Schuldverschreibungen der Emittentin oder einem mit ihr verbundenen Unternehmen (§ 271 Absatz 2 HGB) zustehen oder für Rechnung der Emittentin oder eines mit ihr verbundenen Unternehmen gehalten werden.</p> | <p>5. <i>Voting rights.</i> Each Noteholder participating in any vote shall cast votes in accordance with the principal amount or the notional share of its entitlement to the outstanding Notes. The voting right is suspended as long as the Notes of the Issuer or an affiliate (within the meaning of § 271(2) German Commercial Code (HGB)) or are held for the account of the Issuer or an affiliate.</p> |
| <p>6. <i>Gemeinsamer Vertreter.</i> Die Anleihegläubiger können durch Mehrheitsbeschluss zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für alle Anleihegläubiger bestellen. Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Anleihegläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Anleihegläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Anleihegläubiger ermächtigt ist, sind die einzelnen Anleihegläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn, der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Anleihegläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des gemeinsamen Vertreters gelten die Vorschriften des SchVG.</p> | <p>6. <i>Noteholders' Representative.</i> The Noteholders may by majority resolution appoint a common representative to exercise the Noteholders' rights on behalf of each Noteholder. The Noteholders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Noteholders. The Noteholders' Representative shall comply with the instructions of the Noteholders. To the extent that the Noteholders' Representative has been authorized to assert certain rights of the Noteholders, the Noteholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Noteholders' Representative shall provide reports to the Noteholders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Noteholders' Representative.</p> |

§ 10

Begebung weiterer Schuldverschreibungen, Rückkauf und Entwertung

1. *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher

§ 10

Further Issues, Repurchases and Cancellation

1. *Further Issues.* The Issuer may from time to time, without the consent of the Noteholders, issue further notes having the same terms and conditions as the Notes in all respects (or in

Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabekurses und/oder des ersten Zinszahlungstags) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

2. *Rückkauf.* Die Emittentin ist berechtigt, mit der vorherigen Zustimmung der zuständigen Behörde und vorbehaltlich § 5(5) Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Kurs zurückzukaufen. Im Falle eines Auslöseereignisses darf die Emittentin keine Schuldverschreibungen nach diesem § 10(2) zurückkaufen, solange eine hieraus folgende Herabschreibung noch nicht erfolgt ist. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Rückkaufangebot erfolgen, muss dieses Rückkaufangebot grundsätzlich allen Anleihegläubigern gemäß § 11 gemacht werden.

Zur Klarstellung: Die Nichterteilung der Zustimmung durch die zuständige Behörde zu einem Rückkauf nach § 10(2) berechtigt die Anleihegläubiger nicht zur Kündigung der Schuldverschreibungen und stellt keine Pflichtverletzung der Emittentin dar.

3. *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

§ 11 Mitteilungen

1. *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen, außer den in § 9 vorgesehenen Bekanntmachungen, die ausschließlich gemäß den Bestimmungen des SchVG erfolgen, werden im Bundesanzeiger, auf der Website der Emittentin und (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internetseite der Luxemburger Wertpapierbörse unter www.bourse.lu veröffentlicht. Eine Mitteilung gilt mit dem Tag ihrer Veröffentlichung (oder bei mehreren Mitteilungen mit dem Tage der ersten Veröffentlichung) als erfolgt.
2. *Mitteilungen an das Clearing System.* Sofern die Regularien der Börse, an der die

all respects except for the issue date, interest commencement date and/or issue price and/or the first interest payment date) so as to form a single series with the Notes.

2. *Repurchases.* The Issuer may, with the prior permission of the competent authority and subject to § 5(5), repurchase Notes in the market or otherwise at any price. Upon the occurrence of a Trigger Event, the Issuer may not repurchase any Notes pursuant to this § 10(2) if and so long as a write-down resulting thereof has not been effected. Notes repurchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation. If repurchases are made by public tender offer, such tender offer must be made available in principle to all Noteholders in accordance with § 11.

For the avoidance of doubt: Any refusal of the competent authority to grant permission for a repurchase pursuant to § 10(2) shall not entitle the Noteholders to call the Notes for redemption and shall not constitute a default of the Issuer.

3. *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 11 Notices

1. *Publication.* All notices concerning the Notes, other than any notices stipulated in § 9 which shall be made exclusively pursuant to the provisions of the SchVG, shall be published in the Federal Gazette (*Bundesanzeiger*), on the website of the Issuer and (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange on www.bourse.lu. Any notice shall be deemed to be effected on the day of its publication (or in the case of more than one publication on the day of the first publication).
2. *Notices to the Clearing System.* The Issuer shall also be entitled to make notices to the

Schuldverschreibungen notiert sind, dies zulassen, ist die Emittentin berechtigt, Bekanntmachungen auch durch eine Mitteilung an das Clearing System zur Weiterleitung an die Anleihegläubiger oder durch eine schriftliche Mitteilung direkt an die Anleihegläubiger zu bewirken. Bekanntmachungen über das Clearing System gelten sieben Tage nach der Mitteilung an das Clearing System, direkte Mitteilungen an die Anleihegläubiger mit ihrem Zugang als bewirkt.

§ 12

Anwendbares Recht und Gerichtsstand

1. *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.
2. *Gerichtsstand.* Vorbehaltlich eines zwingenden Gerichtsstandes für besondere Rechtsstreitigkeiten im Zusammenhang mit dem SchVG, ist das Landgericht Frankfurt am Main, Bundesrepublik Deutschland, nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**").
3. *Gerichtliche Geltendmachung.* Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) indem er eine Bescheinigung der Depotbank (wie nachfolgend definiert) beibringt, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Anleihegläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) indem er eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vorlegt, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing

Clearing System for communication by the Clearing System to the Noteholders or directly to the Noteholders provided this complies with the rules of the stock exchange on which the Notes are listed. Notices to the Clearing System shall be deemed to be effected seven days after the notification to the Clearing System, direct notices to the Noteholders shall be deemed to be effected upon their receipt.

§ 12

Applicable Law and Place of Jurisdiction

1. *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Noteholders and the Issuer, shall be governed by German law.
2. *Place of Jurisdiction.* Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the regional court (*Landgericht*) Frankfurt am Main, Federal Republic of Germany, shall have nonexclusive jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Notes.
3. *Enforcement.* Any Noteholder may in any Proceedings against the Issuer, or to which such Noteholder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Noteholder maintains a securities account in respect of the Notes (a) stating the full name and address of the Noteholder, (b) specifying the aggregate nominal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorized officer of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Noteholder maintains a securities account in respect of the Notes and includes the Clearing System. Each

Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Anleihegläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Anleihegläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land der Rechtsstreitigkeit prozessual zulässig ist.

**§ 13
Sprache**

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigelegt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

Noteholder may, without prejudice to the foregoing, protect or enforce its rights under the Notes also in any other way which is admitted in the country of the Proceedings.

**§ 13
Language**

These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

ISSUER DESCRIPTION

AUDITOR

The individual financial statements of the Issuer for the financial years ended 31 December 2019 and 31 December 2020 have been audited by independent auditors and have been granted unqualified audit opinions. Fiscal years 2019 and 2020 were audited by the auditing firm Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, Hannover Office Aegidientorplatz 2a, 30159 Hannover, Germany. Deloitte GmbH Wirtschaftsprüfungsgesellschaft is a member of the Chamber of Auditors (*Wirtschaftsprüferkammer*) in Germany.

FOUNDATION, COMPANY NAME AND REGISTERED OFFICE OF THE ISSUER

Legal and commercial name of the Issuer

The legal name of the Issuer is "Oldenburgische Landesbank Aktiengesellschaft", the commercial name is "OLB AG."

Registration of the Issuer in the Commercial Register and Legal Entity Identifier

OLB AG is registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Oldenburg under register number HRB 3003. Its Legal Entity Identifier (LEI) is 529900810TO44SUINZ71.

Foundation of the Issuer

OLB AG was founded in Germany on 16 December 1868 for an unlimited period.

It commenced operations on 15 January 1869. The purpose of the bank was – apart from the promotion of monetary transactions – above all the issuance and redemption of the Oldenburg state paper money. OLB AG waived the right to issue banknotes in 1875. As a result, OLB AG obtained the right to set up branches and subsequently, OLB AG gradually developed into a full-service universal bank with branches across the Weser Ems region in Northwest Germany.

After several changes in the shareholding structure, Bremer Kreditbank ("**BKB**") purchased a stake of 95.35% in OLB AG as of 7 February 2018. Following a squeeze-out of the minority shareholders, the Annual General Meetings of BKB and OLB AG resolved to merge the two companies in August 2018. The registration in the Commercial Register took place on Friday, 31 August 2018, thereby completing the merger of BKB and OLB AG. Effective 28 December 2018, Bankhaus Neelmeyer AG ("**BHN**"), which was part of OLB, was also merged with OLB AG. Thus, the Issuer has operated since then under a common umbrella with OLB and Bankhaus Neelmeyer brands. Effective as of 31 May 2019, OLB AG acquired Wüstenrot Bank AG Pfandbriefbank ("**WBP**").

Following the merger of BKB and OLB AG, in order to realize synergies and for administrative efficiency, each of BHN and WBP were legally merged into OLB AG (as surviving entity) with retroactive effect (for accounting purposes) from 1 July 2018 and 1 July 2019, respectively. As a result of such mergers, BHN and WBP ceased to exist as stand-alone legal entities, but BHN has continued to operate as a legally dependent branch of OLB AG.

Registered Office and Legal Form of the Issuer

OLB AG is a stock corporation under German law (*Aktiengesellschaft*). The registered office of OLB AG is Stau 15/17, 26122 Oldenburg, Federal Republic of Germany. The phone number is: +49 (0)441 221-0.

SIGNIFICANT EVENTS

There are no known recent significant events in the Issuer's business operations that are highly relevant to the assessment of solvency.

BUSINESS OVERVIEW

OLB is a Germany-based universal bank, offering retail & corporate banking, private banking & wealth management and an established specialized lending business. With OLB and Bankhaus Neelmeyer brands, OLB is a financial institution with nation-wide operations, deep roots in north-western Germany and with ancillary services in neighboring countries and very selectively beyond. OLB stands for advisory and support services and cutting-edge services for private and business clients, tailor-made solutions for corporate clients, particular expertise in specialized lending, as well as sustainable advice and complex financing management in private banking and wealth management. OLB believes to have a sustainably profitable business model with its loan business being primarily funded by stable and reliable retail deposits from its long-standing customer base ensuring independence from capital markets. Its diversified loan portfolio is supported by a robust balance sheet and stable deposit-based refinancing sources.

OLB's strategy is composed of several building blocks. It follows an universal low-complex banking approach with a diversified business model focusing on sustainable bottom-line profitability. At the same time, OLB follows a conservative risk management approach with the aim to maintain low cost of risk and a solid capital base (with its IRBA implementation being on track) and with stable and reliable deposit funding combined with targeted capital market activities.

Main Activities

We are a modern financial institution anchored in Northwest Germany serving our customers throughout Germany under our "OLB Bank" and "Bankhaus Neelmeyer" brands. We offer (i) innovative services for private and business customers, including traditional banking products, comprehensive advice and complex financing solutions in private banking and wealth management, (ii) customized solutions for our corporate & SME (*small and medium enterprises*) customers, and (iii) particular expertise in specialized lending.

Our operations are carried out through the following three business divisions: Private Customers, Corporates & SME, and Specialized Lending.³

Private Customers

General

Through our Private Customers division, we offer traditional banking services to approximately 645,000 private customers and self-employed professionals. Our Private Customers division is comprised of three sub-divisions, which include Retail Banking, Private Banking and Wealth Management, and Self-Employed Professionals. We primarily divide our customers in the Private Customers division by the value of their assets held with us and their monthly salary to ensure that we appropriately respond to each group of customers' specific needs.

Our Private Customers division offering centers around our well-coordinated multi-channel sales offering (in-person branch visits, telephone, mobile phone, online) with 24/7 availability for our customers. However, in comparison to fully digital credit institutions, our customers also benefit from our traditional network of 66 branch offices (these offices serve both customers in our Private Customers and Corporates & SME divisions) as of 31 December 2020, in addition to our state-of-the-art the Oldenburg Advisory Center (*Beratungszentrum Oldenburg*, "BCO"), where we offer our customers an opportunity to complete their banking transactions in person.

For the year ended 31 December 2020, the net operating result from OLB's Private Customers division was EUR 54.8 million (as compared to EUR 27.8 million for the year ended 31 December 2019), which constituted approximately 51.3% of OLB's total net operating result for the year ended 31 December 2020 (as compared to approximately 25.3% for the year ended 31 December 2019).

Additionally, OLB generated EUR 237.3 million revenues (operating income) in its Private Customers division for the year ended 31 December 2020 (EUR 218.1 million for the year ended 31 December 2019), out of which 62.1% and 35.7% represented net interest income and net commission income, respectively (as compared to 66.2% and 32.6%, respectively, for the year ended 31 December 2019).

³ Financial information in regard to these divisions is based on unaudited management reporting data.

As of 31 December 2020, deposits from customers in our Private Customers division were EUR 8,098 million, which constituted 62.1% of our total deposits from customers as of 31 December 2020 (as compared to EUR 7,584 million and 59.5%, respectively, as of 31 December 2019). Further, as of 31 December 2020, we had EUR 7,993 million of loans outstanding to customers in our Private Customers division, which constituted 51.2% of our total lending portfolio across our three business divisions as of 31 December 2020 (as compared to EUR 7,603 million and 50.1%, respectively, as of 31 December 2019). As of 31 December 2020, risk weighted assets in OLB's Private Customers division amounted to EUR 2,069 million (as compared to EUR 1,994 million as of 31 December 2019).

Retail Banking

Our Retail Banking sub-division provides a full portfolio of retail banking services and products to our retail customers, including current accounts, debit and credit cards, residential mortgage loans, retail lending, consumer loans, asset management, insurance brokering and assistance with private real estate purchases and sales. We offer our products and services via multiple distribution channels, including through 16 centers of expertise throughout Northwest Germany and advisory and support services via our branch network and the new BCO.

As of 31 December 2020, deposits of customers in our Retail Banking sub-division were EUR 6,696 million, representing 82.7% of total deposits in our Private Customers division (as compared to EUR 5,852 million and 77.2%, respectively, as of 31 December 2019). As of 31 December 2020, loans to customers in our Retail Banking sub-division were EUR 7,433 million, representing 93.0% of total loans in our Private Customers division (as compared to EUR 6,931 million and 91.2%, respectively, as of 31 December 2019). For the year ended 31 December 2020, 92.1% of the net interest income in our Private Customers division was derived from our Retail Banking business (as compared to 92.0% for the year ended 31 December 2019).

Key banking services in our Retail Banking sub-division include everyday banking, residential mortgage loans, unsecured retail lending and ancillary products.

Every Day Banking

We serve our retail customers' every day banking needs through the BCO that combines our traditional physical retail offering as well as our digital banking platform. We aim to provide our customers a full range of modern retail banking services and products and are focused on offering enhanced, modernized products and services since 2020. We offer four types of different checking accounts packages, which contain online and mobile banking functionality and can be combined with debit and credit cards offering online functionality as well as up-to-date mobile payment and digital wallet solutions through Apple Pay and Google Pay.

Residential Mortgage Loans

We offer fixed and variable rate residential mortgage loans with various repayment options (annually, bullet loans, early redeemable mortgage loans) and the minimum principal amount of our residential mortgages is EUR 25,000. Our residential mortgages are predominantly secured with real estate collateral and are available for private real estate financing only (with a maximum of three housing units).

Our residential mortgage loan strategy is based on providing services to our retail customers through our mortgage experts. Our mortgage experts provide our customers with mortgage products and consult customers regarding all aspects of mortgages including financial, legal and technical issues through our various distribution channels. In addition, we are establishing procedures for our customers to apply for retail mortgage loans through our online platform with the aim of reducing complexity, and increase efficiency, in the future. Residential real estate prices have continued to increase over the years, and the residential real estate market continues to benefit from a low-interest environment and favorable financing conditions, which has also resulted in the increase in our residential mortgage loan portfolio.

As of 31 December 2020, the residential mortgage loans business accounted for 43.8% of overall net interest income in our Private Customers division (as compared to 39.6% as of 31 December 2019) and approximately 32.9% of the net operating result of our Private Customers division, making residential mortgage loans one of the most significant products in our Private Customers division.

As of 31 December 2020, our residential mortgage loan portfolio for our Private Customers division was EUR 5,906 million (as compared to EUR 5,485 million as of 31 December 2019), which represented approximately 37.8% of our total loan portfolio across our three business divisions and approximately 73.9% of the total loan portfolio of our Private Customers division as of 31 December 2020 (as compared to approximately 36.1% and 72.1%, respectively, as of 31 December 2019).

In 2020, we granted approximately 4,250 residential mortgage loans in our Private Customers division with an average value of approximately EUR 232,000 each (as compared to approximately 4,000 residential mortgage loans with an average value of approximately EUR 215,000 in 2019) and an average duration of approximately eight years. Our residential mortgage loan products are often combined with public funding to enable the customer to acquire the real estate asset, which is typical in the German residential mortgage market.

Unsecured Retail Lending

Our unsecured retail lending activities primarily focus on providing a wide range of consumer finance products, including personal unsecured loans, deferred payment cards and current accounts with overdraft facilities. Our consumer loan products are primarily distributed through our online platform using an automated lending application, which offers our retail customers convenient access. From the application for, to the granting of, unsecured retail lending loans, the entire process can be completed digitally without the need for the customer to physically visit a branch office. This reduces complexity and increases efficiency. We are seeking to further grow our instalment loan business by increasing advertising support, intensifying sales, and speeding up processing and application procedures through a new, digital platform-based process architecture. In addition, we are expanding our instalment loan business by fostering the online sales channel as well as starting Germany-wide platform business.

As of 31 December 2020, our unsecured retail lending loan portfolio (i.e. consumer loans) was EUR 385.9 million (as compared to EUR 372.1 million as of 31 December 2019), which represented 2.5% of our total loan portfolio across our three business divisions and 4.8% of our total loan portfolio in our Private Customers division as of 31 December 2020 (as compared to 2.5% and 4.9%, respectively, as of 31 December 2019).

In 2020, we granted approximately 7,200 consumer loans in our Private Customers division with an average value of EUR 17,400 each (as compared to approximately 10,450 unsecured retail lending loans with an average value of EUR 13,200 each as of 31 December 2019) and with an average duration of three years.

Ancillary Products

We also provide a number of ancillary products to our customers, including distributing third-party insurance policies, including life insurance policies associated with (private mortgage) loans, travel insurance, accident insurance, insurance on valuables and compulsory vehicle insurance products.

In relation to our asset management and securities business, we aim to provide a modern, transparent platform where our retail customers can invest in a range of investment products. As such, in addition to the traditional securities account service, our retail customers also have an opportunity to invest in our self-managed funds.

Although our securities business currently is still based on a traditional securities platform and systems, we plan to modernize and fully migrate our securities trading platform to a multi-channel asset management platform that would be managed in partnership with FNZ, a global asset management platform provider, by 30 June 2022. The modernization efforts aim to reduce product complexity and increase efficiency along the asset management's value chain. In our Retail Banking sub-division, in particular, this will be achieved by introducing managed accounts. Managed accounts are an investment solution based on standard portfolios. However, its modular structure allows managed accounts to be tailored to customers' specific needs (so-called "mass customization"). We expect the FNZ platform to also extend to, and be integrated in, our Private Banking and Wealth Management sub-division.

Private Banking and Wealth Management

Our Private Banking and Wealth Management sub-division serves our affluent and high net-worth private customers. Typically, a customer in our Private Banking and Wealth Management sub-division has a

minimum of EUR 500,000 in deposits and/or funds, with the average customer having approximately EUR 1,000,000 in deposits and/or funds held with us, or yearly gross income in excess of EUR 500,000.

Through our Private Banking and Wealth Management sub-division, we offer our customers a wide range of specialized and highly personalized private banking and wealth management services, including asset management, exclusive financial and pension planning advice, real estate management services and investment advice, generation management and foundation management. We provide these services exclusively through our Bankhaus DZ Bank platform, which has a strong brand recognition throughout Germany in the field of private banking and wealth management.

Our Private Banking and Wealth Management activities are centered around, and tailored to, the specific needs of our customers. For example, each customer in our Private Banking and Wealth Management division is allocated a relationship manager. This is to ensure that we can build trusting and longstanding relationships with our customers and that any of their banking needs are addressed in a timely and professional manner. Further, the services provided are often offered following consultations with our advisors, particularly in relation to asset management services. Customers in our Private Banking and Wealth Management sub-division also benefit from the full range of services available to our customers in our Retail Banking sub-division, including payment products, overdraft and deposit accounts, mortgages and other personal loan products. We experience strong loyalty from the customers in our Private Banking & Wealth Management sub-division with a customer relationship existing, on average, for approximately 22 years.

As of 31 December 2020, customers in our Private Banking and Wealth Management sub-division were served by approximately 48 full-time private banking relationship managers (as compared to approximately 72 full-time private banking relationship managers as at 31 December 2019).

As of 31 December 2020, deposits of customers in OLB's Private Banking and Wealth Management sub-division were EUR 1,402 million, representing 17.3% of total deposits in its Private Customers division (as compared to EUR 1,731 million and 22.8%, respectively, as of 31 December 2019). As of 31 December 2020, loans to customers in OLB's Private Banking and Wealth Management sub-division were EUR 561 million, representing 7.0% of total loans in its Private Customers division (as compared to EUR 782 million and 10.3%, respectively, as of 31 December 2019). The decreases between 2020 and 2019 result from a transfer of certain customers from the Private Banking and Wealth Management sub-division into OLB's Retail Banking sub-division.

For the year ended 31 December 2020, 9.7% out of the total net operating result in OLB's Private Customers division was derived from its Private Banking and Wealth Management business.

Asset Management

Our asset management offering provides a wide range of investment and advisory solutions to manage, grow and protect assets of our Private Banking and Wealth Management customers. The cornerstone of our asset management offering is the provision of personalized advice from qualified advisors in relation to the portfolio construction as well as ongoing portfolio monitoring and management and updates on market news and investment products.

When making investment decisions, our customers can choose from a wide range of investment products across traditional and alternative asset classes, including a comprehensive range of investment funds and exchange traded funds (ETFs). Together, with the personalized assistance from our consultants, customers can then choose a strategy that best fits their individual circumstances.

As of 31 December 2020, OLB had assets under management of approximately EUR 7 billion (nominal amount of assets held by clients in OLB deposit accounts).

Advisory Services

Our advisory services focus on financial and pension planning, investing in real estate management and real estate management, and generation and foundation management. Among other offerings, we offer financing solutions for short-term liquidity requirements, help our customers prepare for transferring assets to subsequent generations and create individual plans to safeguard and pass on assets. The main objective of the Advisory Services is to provide our customers with advice on their specific inquiries and help them

make decisions in relation to their finances. In addition, however, the advice provided may also lead a customer to subscribe for our banking products and services.

Self-Employed Professionals

The Self-Employed Professionals have separate banking needs and are therefore treated as a separate customer group in our Private Customers division. The relationship managers focus on self-employed professionals, including lawyers, doctors, physicians, dentists, notaries and architects. These professionals have often been retail customers utilizing our retail banking services and products in their personal capacity (for example, mortgage loans, current accounts). However, as their careers and banking needs have progressed, such customers have also started to rely on our banking services and products also in their professional capacities (for example to buy equipment to practice as a dentist). Successful self-employed professionals further have a tendency to, at a later stage in their careers, also qualify for, and rely on, our Private Banking and Wealth Management services and products.

Self-Employed Professionals benefit from the full range of services available to our customers in our Retail Banking sub-division, including checking accounts, residential mortgage financing, real estate brokerage, investment strategy and retirement planning, in their private capacity. In addition, however, they also use products and services to support their professional activities, such as investment loans, public funding, business start-ups and advice concerning organic and inorganic growth opportunities and funding options related thereto.

Depending on their customer specifics and financial needs and capabilities, we categorize, for internal reporting purposes, our Self-Employed Professionals either in the Retail Banking or Private Banking and Wealth Management sub-divisions.

Corporates & SME

Our Corporates & SME division provides banking services and products to a broad range of approximately 3,000 large corporate customers and approximately 10,000 small and medium-sized enterprises (SMEs) across Germany. Our "corporate customers" typically have annual revenues greater than EUR 50 million while our "SME customers" have annual revenues up to EUR 50 million. Using different criteria to place our customers in different divisions allows us to more effectively service the needs of our corporate customers by providing bespoke services and products based on a company's turnover and size as larger companies typically have more complex funding structures and financing requirements.

We offer customers in our Corporates & SME division the full spectrum of banking services and products, ranging from the provision of customary corporate bank accounts and cards, deposits and foreign and local payments to customized transactional banking products. Further, we provide leasing and insurance products and offer customized solutions in fields such as working capital financing (including short-term overdraft and working capital facilities), investment financing (including, investment loans, rollover loans and foreign currency loans), forfaiting, export financing/documentary business, and foreign payment transactions. We also offer competitive interest rates, active interest and currency and liquidity management, and support businesses in their start-up phase and provide project financing for renewable energy.

In 2020, OLB expanded the offering in the Corporates & SME division to football finance, primarily focusing on transfer funding within football clubs for the five financially strongest football leagues in Europe (i.e., the English Premier League, the French Ligue 1, the German Bundesliga, the Spanish Primera Division and the Italian Serie A). Football finance loans typically have one to three year maturities and OLB's exposure per transaction typically ranges from EUR 3 million to EUR 15 million. As of 31 December 2020, OLB's football finance loan portfolio accounted for 5% of the total loan portfolio of OLB's Corporates & SME division. Going forward, OLB also aims to further increase its presence in the football finance market, which tends to have high margins, in the following years.

The geographical reach in our Corporates & SME division extends beyond our core area in the Weser-Ems region and is available throughout Germany, with branch offices in Berlin, Bremen, Düsseldorf, Frankfurt, Hamburg, Hanover, Munich and Ludwigsburg / Stuttgart. In addition to the service sector and the energy and agriculture industries, which are particularly strongly represented in the Weser-Ems region, we offer customer support services throughout Germany focusing mainly on mechanical engineering and trade. The broad diversification of sectors is leading to stable earnings contributions.

For the year ended 31 December 2020, the net operating result from OLB's Corporates & SME division was EUR 65.0 million (as compared to EUR 59.7 million for the year ended 31 December 2019), which constituted approximately 60.9% of OLB's total net operating result for the year ended 31 December 2020 (as compared to approximately 54.3% for the year ended 31 December 2019).

As of 31 December 2020, deposits from customers in OLB's Corporates & SME division were EUR 3,784 million, which constituted 29.0% of its total deposits from customers as of 31 December 2020 (as compared to EUR 3,020 million and 23.7%, respectively, as of 31 December 2019). Further, as of 31 December 2020, loans granted to customers in OLB's Corporates & SME division were EUR 5,607 million, which constituted 35.9% of OLB's total lending portfolio across its three business divisions as of 31 December 2020 (as compared to EUR 5,384 million and 35.5%, respectively, for the year ended 31 December 2019). OLB's loan portfolio for "corporate customers" represented 49% of the total loan portfolio of OLB's Corporates & SME division, whereas the SME loan portfolio contributed 46% to the total loan portfolio of OLB's Corporates & SME division as of 31 December 2020. As of 31 December 2020, risk weighted assets in OLB's Corporates & SME division were EUR 3,959 million (as compared to EUR 4,256 million as of 31 December 2019).

Additionally, OLB generated EUR 134.1 million revenues (operating income) in its Corporates & SME division for the year ended 31 December 2020 (EUR 124.5 million for the year ended 31 December 2019), of which 79.9% and 14.9% represented net interest income and net commission income, respectively (as compared to 80.0% and 14.1%, respectively, for the year ended 31 December 2019). In addition to the customary products, in 2020, 29.1% of the loans issued to customers in the Corporates & SME division were refinanced by the German state-owned promotional bank, Kreditanstalt für Wiederaufbau ("**KfW**") (as compared to 28.6% as of 31 December 2019). In addition to KfW loans OLB supplied its customers with an access to all regional and national public promotional banks (for example, *Rentenbank* and *Landesförderbanken*).

As part of our strategy, we are currently in the process of repositioning our SME sub-division to serve our SME customer base more efficiently. As part of the repositioning efforts, we are simplifying our product offering and processes and are working on building a better integrated IT-solution which would enable our SME customers to access their key services more efficiently. The simplified product offering will ensure that our products are easily understood and that applying for any product will be significantly simplified by reducing the number of credit approval related tasks for our back-office.

Specialized Lending

Our Specialized Lending division is comprised of three sub-divisions: Acquisition Financing (or AQF), Commercial Real Estate Financing (or CRE) and Ship Financing. Our Specialized Lending division offers specialized solutions to approximately 800 customers outside of traditional banking products and these solutions are tailored to specific situations, have higher margins and have a higher associated risk profile. Furthermore, we also serve customers outside of Germany through this division. In our Specialized Lending division, we focus on providing services to mid-size customers with complex financing needs who may be too small to receive effective services from international banking groups.

The total loan volume in our Specialized Lending division was EUR 2.2 billion as of 31 December 2020, out of which approximately 50%, 38% and 12% was represented respectively by the Acquisition Financing, Commercial Real Estate Financing and Ship Financing activities, respectively.

For the year ended 31 December 2020, the net operating result from OLB's Specialized Lending division was EUR 38.3 million (as compared to EUR 57.6 million for the year ended 31 December 2019), which constituted approximately 35.9% of OLB's total net operating result for the year ended 31 December 2020 (as compared to approximately 52.4% for the year ended 31 December 2019).

Further, as of 31 December 2020, OLB had EUR 2,151 million of loans outstanding to customers in its Specialized Lending division, which constituted 13.8% of its total lending portfolio across its three business divisions as of 31 December 2020 (as compared to EUR 2,084 million and 13.7%, respectively, as of 31 December 2019). OLB generated EUR 91.5 million revenues (operating income) in its Specialized Lending division for the year ended 31 December 2020 (EUR 80.5 million for the year ended 31 December 2019), of which 86.1% and 13.3% represented net interest income and net commission income, respectively (as compared to 80.4% and 18.6%, respectively, for the year ended 31 December 2019). As of 31 December

2020, OLB's risk weighted assets in its Specialized Lending division amounted to EUR 2,374 million (as compared to EUR 2,277 million as of 31 December 2019).

Acquisition Financing

Our Acquisition Financing sub-division focuses on arranging and structuring debt financing to support the acquisition activity of small and medium-sized enterprises in Germany, Austria and Switzerland as well as other markets on a selective basis. Experienced managers in the field of acquisition finance assist our customers with specialized and tailored advice. Our Acquisition Financing portfolio is well diversified with no particular concentration in specific sectors or industries.

When extending loans, we strive to provide our Acquisition Financing solutions to customers with strong cash generation and stable outlook. In addition, to secure our position as a lender, we provide for comparably conservative credit structures, including through customary covenants and minimum equity contributions requirements (the extent and scope of which being linked to our credit risk assessment). Our Acquisition Financing sub-division further provides alternatives to, and a platform and solutions for, existing customers across our other business divisions.

Our total Acquisition Financing loan portfolio was EUR 1,079 million as of 31 December 2020 (as compared to EUR 890 million as of 31 December 2019), which represented 50.2% of our total Specialized Lending Division loan portfolio as of 31 December 2020 (as compared to 42.7% as of 31 December 2019). We intend to further focus on developing our acquisition finance offering and exposure in the short to medium term.

Commercial Real Estate Financing

Our Commercial Real Estate Financing efforts focus on medium term real-estate investor financing, on site financing and on short-term interim financing for developers and property development companies.

Like our Acquisition Financing portfolio is our Commercial Real Estate Financing portfolio well diversified with no particular concentration in specific sectors or industries, and are our customers serviced by highly professional and experienced managers. The loan-to-value ratio (*LTV*) depends on the specific projects and through carefully crafted and individualized covenants, the credit risk gets properly managed and accounted for.

The underlying properties are spread across Germany and neighboring countries. We provide real estate financing primarily in the German market. Since November 2016, we have also provided commercial real estate financing in the Netherlands and since 2018 in Austria, on a selective basis. On a selective basis, we have also provided commercial real estate financing elsewhere.

As of 31 December 2020, our Commercial Real Estate Financing portfolio amounted to EUR 815 million (as compared to EUR 952 million as of 31 December 2019), which represented 37.9% of our total Specialized Lending division portfolio as of 31 December 2020 (as compared to 45.7% as of 31 December 2019).

Ship Financing

In 2019, we re-entered the area of ship financing, and started underwriting new business in ship financing, in particular relating to smaller ships and special purpose ship vehicles. In particular, we focus on providing financing for freight-rate-dependent ocean-going vessels in Germany and in neighboring countries on a highly selective and conservative basis.

We historically have been active in ship financing industry, but discontinued underwriting new business in 2011 when certain segments in the shipping industry, particularly cargo and container ships, started to experience distress as a result of regulatory changes, excess capacity and the entry of new vessel types in the market. However, we continue to operate and restructure our legacy shipping portfolio, which, as at 31 December 2020 amounted to approximately EUR 157 million.

As selected segments in the shipping industry have significantly recovered and the margins on ship financings remain high as a result of decreased competition, we have re-entered the market to leverage our extensive, industry-specific knowledge. Our team focusing on Ship Financing consists of professionals with

extensive, sector-specific know-how in this market segment, including in connection with risk analysis and risk monitoring systems.

Our total Ship Financing portfolio was EUR 258 million as of 31 December 2020 (as compared to EUR 242 million as of 31 December 2019), which represented 12.0% of our total Specialized Lending Division portfolio as of 31 December 2020 (as compared to 11.6% as of 31 December 2019).

Cooperations

The product range is constantly reviewed and adapted by OLB for up-to-dateness and competitiveness. To complement its product range, OLB cooperates with other providers in the financial services sector and sells products of these cooperation partners. In this way, OLB offers insurance products of Allianz Group. In the building society (*Bauspar*) area, the products of Bausparkasse Wüstenrot are available. Wherever possible, public funding programs are utilized for financing purposes, inter alia, of KfW, Landwirtschaftliche Rentenbank (LRB) and NBank (development bank of the State of Lower Saxony), NRW.Bank (development bank of the State of North Rhine-Westphalia) and Bremer Aufbaubank (development bank of the State of Bremen).

For securities advisory services, advisors can draw on a comprehensive product range of numerous issuers. Moreover, in order to cover clients' needs as comprehensively as possible, OLB cooperates with further providers to implement special types of financing.

Alternative Performance Measures and Key Regulatory Capital Information

In its presentation of the income statement in its financial statements, OLB is bound to the format provided under the German Accounting Directive for Banks and Financial Services Providers ("**RechKredV**"). In addition to this presentation in the income statement, OLB reports the following additional performance measures to enhance the transparency and comprehensibility and believes these to provide an enhanced understanding of OLB's underlying results and related trends. All alternative performance measures are defined in the Appendix to this Offering Memorandum and predominately derived from the items in the income statement form under RechKredV.

The table below sets out the Issuer's alternative performance measures and key regulatory capital information:

Ratio	2018	2019	2020	18-20 Growth
Risk management				
NPL Ratio ⁴	2.7%	2.5%	2.7%	-0.2ppts
NPL Coverage Ratio ⁵	96.8%	85.8%	74.8%	-22.0ppts
Capital Metrics				
Total Risk Weighted Assets (€m)	8,482.9	8,805.6	8,659.0	1.0%
Common Equity Tier 1 Capital Ratio	11.4%	11.8%	12.2%	+0.8ppts
Total Capital Ratio	14.5%	14.1%	14.2%	-0.4ppts
Financial Statement Metrics				
Loan-To-Deposit Ratio ⁶	99.5%	97.8%	98.2%	-1.1ppts
Cost of Funding ⁷	0.33%	0.18%	0.07%	-0.3ppts
Fee Income Ratio ⁸	22.3%	24.6%	25.2%	+2.9ppts
Return on Assets ⁹	0.1%	0.6%	0.4%	+0.3ppts

⁴ Proportion of non-performing customer receivables.

⁵ Taking collateral and postponed interest into account.

⁶ Excl. Development Program receivables and refinancing.

⁷ Net interest expenses divided by interest bearing liabilities (excluding KfW funding, AT1 and tier 2 capital instruments).

⁸ Sum of Net Commission Income and Net Trading Income, divided by Operating Income.

⁹ Removes impact of TLTRO II/III funding in 2020.

The table below sets out the key regulatory capital information of the Issuer as at the dates indicated:

Regulatory Capital Information (according to HGB)		
in EUR thousands (unless indicated otherwise)	As of 31 Dec 2019	As of 31 Dec 2020
Subscribed capital	90,468.6	90,468.6
Capital reserves	517,332.3	517,332.3
Revenue reserves	391,056.0	470,786.8
Retained profits / accumulated losses brought forward	-	-
Net retained profits / net accumulated losses	109,788.8	78,639.8
Fund for general bank risks	20,094.6	100.8
CET1 Capital (before regulatory adjustments)	1,128,740.3	1,157,328.3
./. Regulatory adjustment for AT1 instruments	(423.9)	(423.9)
./. Regulatory adjustment on net retained profits / net accumulated losses	(55,507.9)	(78,639.8)
./. Additions / changes Funds for general banking risk	(2.3)	(6.2)
./. Prudent Valuation / AVA / 0,1% of FV-positions	(1.8)	(2.7)
./. Holdings of own CET1 instruments	-	-
./. Additional risk provision gap (EU 183/2014)	-	-
./. Intangible fixed assets	(8,252.4)	(4,231.9)
./. Risk provision gap (defaulted clients)	-	(3,181.9)
./. Risk provision gap (active clients)	(22,960.3)	(14,978.0)
Regulatory adjustments (trans. / fully loaded from 2020)	(87,148.6)	(101,464.4)
CET1 Capital (trans. / fully loaded from 2020)	1,041,591.7	1,055,863.9
Capital instruments eligible as AT1 Capital	41,882.9	41,938.3
AT1 Capital (before adjustments)	41,882.9	41,938.3
Regulatory adjustment for AT1 instruments	423.9	423.9
Regulatory adjustments (trans. / fully loaded from 2020)	423.9	423.9
AT1 Capital (trans. / fully loaded from 2020)	42,306.8	42,362.2
T1 Capital (trans. / fully loaded from 2020)	1,083,898.5	1,098,226.1
Capital instruments and subordinated loans eligible as T2 Capital	140,793.2	130,442.7
T2 Capital (before adjustments)	140,793.2	130,442.7
Risk provision gap (./.) or excess (+) (defaulted clients)	13,567.5	-
Risk provision gap (./.) or excess (+) (active clients)	-	-
Regulatory adjustments (trans. / fully loaded from 2020)	13,567.5	-
T2 Capital (trans. / fully loaded from 2020)	154,360.7	130,442.7
OWN FUNDS	1,238,259.2	1,228,668.8
RWA for credit risks	8,043,289.3	7,864,295.2
RWA for market risks	-	-
RWA for operational risks	762,293.3	794,741.6
OWN FUNDS REQUIREMENTS	8,805,582.6	8,659,036.8
CET1 Capital ratio (in %)	11.83	12.19
T1 Capital ratio (in %)	12.31	12.68
Total capital ratio (in %)	14.06	14.19

As at 31 December 2019, OLB AG had a CET1 Capital Ratio of 11.83% and its capital base (Common Equity Tier 1 "CET1") amounted to EUR 1,041.6 million as of that date (as compared to a CET1 Capital

Ratio of 11.4% and a capital base of EUR 966.3 million as of 31 December 2018). As at 31 December 2020, its total capital ratio amounted to 14.19% and its leverage ratio to 5.06% with total risk weighted assets of EUR 8.7 billion as of that date (as compared to a total capital ratio of 14.5% and a leverage ratio of 5.0% with total risk weighted assets of EUR 8.5 billion as of 31 December 2018). Accordingly, as at 31 December 2020, its CET1 Capital Ratio was 12.19%, or EUR 612.1 million, above the 5.125% CET1 Capital Ratio trigger under the Notes.

The following table sets out the OLB's leverage ratios:

Ratio	2018	2019	2020	18-20 Growth
Leverage Ratio ¹⁰	5.0%	5.3%	5.1%	-

The following tables summarize OLB's capital requirements:

Requirements					
	CET1	AT1	Tier 2	Total	Comments
Pillar 1	4.50%	1.50%	2.00%	8.00%	Same applicable for all European banks
Pillar 2	0.04%	0.01%	0.02%	0.07%	Total Pillar 2R of 0.07% split long the same lines as Pillar 1
Capital Conservation Buffer	2.50%			2.50%	Applicable to all European banks, met with CET1
Countercyclical Buffer	0.01%			0.01%	0.01% countercyclical buffer, met with CET1
Total Binding Requirement	7.04%	1.51%	2.02%	10.58%	
Pillar 2G	0.80%				
Total Capital Requirement	7.84%	1.51%	2.02%	11.38%	

Position					
	CET1	AT1	Tier2	Total	Comments
Position (€m)	1,056	42	130	1,229	As disclosed
RWA's (€)	8,659				As disclosed
Position (%)	12.2	0.5	1.5	14.19	

¹⁰ Leverage ratio is calculated based on prevailing reporting and accounting standards applicable to OLB at the time of reporting (according to CRR).

Buffers & Calculations			Comments
CET 1 Requirement	7.04%		Binding CET1 Requirement
Current MDA Requirement	8.58 %		Binding CET1 Requirement + (AT1 Requirement - AT1 Position) + (Tier 2 Requirement - Tier 2 Position)
MDA Requirement if AT 1 Bucket Filled	7.56%		Binding CET1 Binding Requirement + (Tier 2 Requirement - Tier 2 Position)
Buffer to Binding CET 1 Req.	5.15%	446	CET1 Position - Binding CET1 Requirement
Buffer to Current MDA Req.	3.61%	313	CET1 Position - Current MDA Requirement
Buffer to MDA Req. if AT1 filled	4.64%	402	CET1 Position - MDA Requirement if AT1 Bucket Filled

The table below sets out the Issuer's available distributable items ("ADI") as at the dates indicated:

Available Distributable Items (EUR thousand)		
(CRR II, on a pro forma basis)		
HGB Accounts acc. to CRR II	As of 31 Dec 2019	As of 31 Dec 2020
Net profit / Net loss for the fiscal year (Item 27) [+]	109,788.8	78,639.8
Retained profits / accumulated losses brought forward from the previous year (positive Item 28) [+]	-	-
Retained profits / accumulated losses brought forward from the previous year (negative Item 28) [-]	-	-
Capital reserves (Item 12.b) [+]	517,332.3	517,332.3
Revenue reserves (Item 12.c) [+]	391,056.0	470,786.8
Reversal of interest expense for AT1 instruments [+].....	3,307.1	3,305.4
ADI (CRR II, pro forma)	1,021,484.2	1,070,064.4

As of 31 December 2020, based on the CRR II definition, ADI amounted to EUR 1,070.1 million.

With a maximum distributable amount of 3,61%, or EUR 313 million (not including the Notes), OLB AG had significant headroom as of that date. Including a pro-forma fully filled 1.5% Pillar 1 AT1 bucket versus a fully loaded CET1 requirement of 7,56% as of 31 December 2020, OLB AG's buffer would amount to 4,64% / EUR 402 million.

The table below sets out the Issuer's liability structure as at the dates indicated:

Liability structure (EUR million)		
	Financial year ended 31 Dec 2019	Financial year ended 31 Dec 2020
Liabilities to customers	12,715.2	13,011.4
<i>of which: promissory notes.....</i>	727.6	564.6
<i>of which: covered bonds.....</i>	116.0	116.0
Liabilities to banks	4,772.8	5,257.1
<i>of which: development banks.....</i>	2,774.3	2,773.2
<i>of which: covered bonds.....</i>	65.0	65.0
Securitized liabilities	203.2	272.2
<i>of which: covered bonds.....</i>	100.0	190.0
Subordinated debt	228.3	198.3
Total deposits and borrowed funds	17,919.4	18,739.1

As at 31 December 2020, OLB AG had total balance sheet assets of EUR 21.5 billion compared to EUR 19.6 billion as of 31 December 2019. Its receivables from customers (after risk provisioning) increased to EUR 15.5 billion.

OLB's funding structure is primarily based on customer deposits by stable and reliable retail deposits from its long-standing customer base. On 17 March 2021, OLB AG issued an inaugural 10 year EUR 350 million covered bond (*Pfandbrief*) which was placed to institutional investors. OLB's comparably low interest rate risk is reflected in the low Pillar 2 (P2R) requirement under the annual supervisory review and evaluation process (SREP) assigned by BaFin of 0.07 %. Its Total SREP Capital Requirement (TSCR) amounts to 8.07 %.

OLB's cost of funding amounted to 0.07% as of 31 December 2020 (as compared to 0.18% as of 31 December 2019 and 0.33% as of 31 December 2018). As of 31 December 2020, its liabilities to customers amounted to EUR 13.0 billion (including promissory notes with institutional character of EUR 0.6 billion) compared to EUR 12.7 billion as of 31 December 2019 (including promissory notes with institutional character of EUR 0.7 billion). Liabilities to customers increased by EUR 0.3 billion as of 31 December 2020. In addition, EUR 2.8 billion (i.e., 12.9% of OLB's total assets as of 31 December 2020) were funded from development banks for eligible business with matched assets and liabilities. Its investment portfolio (bonds and other fixed-income securities, shares and other non-fixed-income securities and trading portfolio assets) with EUR 2.9 billion as of 31 December 2020, was built to cater its liquidity reserve position, and is mostly comprised of public sector bonds with investment grade ratings as well as covered bonds and securities in the amount of EUR 0.9 billion which have been issued by the two compartments of Weser Funding S.A. within the scope of loan securitization.

OLB's NSFR amounted to 106% as of 31 December 2020 and its liquidity coverage ratio (LCR) to 143% as of that date (as compared to a NSFR of 107% as of 31 December 2019 and 109% as of 31 December 2018). As of 31 December 2020, its loan to deposit ratio amounted to 98% compared to 98% as of 31 December 2019 and 99% as of 31 December 2018.¹¹

OLB is able to fully deploy its deposit base in its loan business, thereby avoiding a funding overhang with high cost of liquidity.

¹¹ The NSFR ratios as of 31 December 2018, 31 December 2019 and 31 December 2020 were calculated solely as reporting obligations according to regulatory guidelines at the time of calculation.

As of 31 December 2019, OLB AG had a non-performing loan ratio of 2.5% and a coverage ratio of 85.8%. As of 31 December 2020, this compares to a non-performing loan ratio of 2.7% and a coverage ratio of 74.8%.

The above capital ratios are above capital requirements as laid out in the SREP. OLB believes that its capital position provides a strong platform for further growth. As of the date of this Offering Memorandum, OLB was requested to provide an individual recovery plan but is not yet required to meet a MREL target. If the competent resolution authority sets such a MREL target, OLB would incorporate this in its capital management and issuance strategy.

Branches and Customers

OLB operates a branch office under the name Bankhaus Neelmeyer, which offers extensive services in the field of wealth management in the Bremen region. In addition, we maintain a total of 75 branch offices (as compared to 126 and 145 branch offices as of 31 December 2019 and 2018, respectively) and 94 self-service branches (including the ATM network from the WBP consolidation) (as compared to 87 and 62 self-service branches as of 31 December 2019 and 2018, respectively) with a focus on Northwest Germany and major cities throughout Germany. All of our branch offices and self-service branches are located in Germany.

Employees

As of 31 December 2020, in total OLB employed 1,777 employees on a full-time equivalent basis (as compared to 1,860 employees as of 31 December 2019).

New Products/Services

No important new products or services of the Issuer merit mention for the purposes of presenting the main areas of activity of the Issuer.

Information on the Competitive Position

At the present locations, it is in competition primarily with Sparkasse savings and Volksbank cooperative banks. In the area of corporate clients and specialized lending business it is also in competition with private large-scale and state banks and specialized commercial banks, especially in the larger cities.

ORGANIZATIONAL STRUCTURE

Information on Relationships with Related Companies and Persons

All shares of OLB AG are held by shareholders that are connected with the Teacher Retirement System of Texas, Apollo Global Management and Grovopoint Investment Management, long-term investors with a strong financial basis. The shareholders are mutually independent; each holds an indirect stake below 40 percent (Champ Luxembourg Holdings S.à r.l. 35.72%, GIM Strategische Investition VI S.à r.l. 32.28% and Texas Bildung Holding GmbH & Co. KG 32.00%) with the consequence that none of the shareholders controls OLB AG under corporate law. OLB's banking business operations are conducted by OLB AG.

Subsidiaries

As of 31 December 2020, the following companies were among the subsidiaries of OLB AG:

Company	Equity investment of OLB AG (direct and indirect)
OLB-Immobilien dienst GmbH, Oldenburg	100.00%
OLB-Service GmbH, Oldenburg	100.00%
Vermögensverwaltungsgesellschaft Merkur mbH, Bremen	100.00%
indirect: Quant FS GmbH, Hamburg	100.00%

Profit-and-loss transfer agreements are in effect with OLB-Immobilien dienst GmbH, OLB-Service GmbH and Vermögensverwaltungsgesellschaft Merkur mbH. There is no profit-and-loss transfer agreement in place with QuantFS GmbH, Hamburg, a wholly owned subsidiary of Vermögensverwaltungsgesellschaft Merkur mbH, Bremen.

As of 31 December 2020, customer receivables in a nominal amount of EUR 1.1 billion have been legally assigned to Weser Funding S.A., Compartment No. 2 ("**Weser Funding II**") and customer receivables in a nominal amount of EUR 0.2 billion have been legally assigned to Weser Funding S.A., Compartment No. 1 ("**Weser Funding I**").

As of the date of this Offering Memorandum, OLB AG has established a further similar structure called Weser Funding S.A., Compartment No. 3 ("**Weser Funding III**"). Customer receivables in a nominal amount of EUR 0.4 billion have been legally assigned to Weser Funding III. Weser Funding I has been redeemed by way of repurchase of the customer receivables.

Even though OLB AG has no equity investment in Weser Funding II and III, from an economic point of view, OLB bears the material risks and opportunities of this special purpose vehicle, and continues to present these within its balance sheet and income statement. Pursuant to section 296 (2) HGB, the special purpose vehicles therefore do not need to be included in the consolidated financial statements, because it is of minor importance for the obligation to present a true and fair view of the Issuer's net assets, financial position and results of operations.

In application of section 296 (2) HGB (waiver of inclusion) in conjunction with section 290 (5) HGB (duty to prepare), all controlled subsidiaries individually and collectively were of subordinated importance for OLB's assets, liabilities, financial position and financial performance, so that the preparation of consolidated financial statements as of the reporting date was waived.

TREND INFORMATION

There have been no material adverse changes in the prospects of the Issuer since the date of the last audited financial statements of 31 December 2020.

Information about known trends, uncertainties, inquiries, obligations or incidents since 31 December 2020 which are expected to have a material adverse effect on the prospects of the Issuer, at least for the current financial year, are not known to the Issuer.

MANAGEMENT AND SUPERVISORY BOARDS

Governing Bodies

The governing bodies of OLB AG are the Board of Managing Directors (*Vorstand*), the Supervisory Board (*Aufsichtsrat*) and the General Meeting (*Hauptversammlung*). In accordance with the Articles of Association, the Board of Managing Directors consists of at least two members appointed by the Supervisory Board.

The Board of Managing Directors manages the business under its own responsibility in accordance with the law, the Articles of Association and the rules of procedure drawn up by the Supervisory Board. OLB AG is legally represented by two members of the Board of Managing Directors. In external relations, OLB AG is additionally represented by two parties with signing authority, including authorized signatories and authorized representatives.

Board of Managing Directors

Members of the Board of Managing Directors are:

- *Dr. Wolfgang Klein (Chairman of the Board of Managing Directors)*
- *Stefan Barth (Deputy Chairman of the Board of Managing Directors)*
- *Marc Kofi Ampaw*
- *Peter Karst*
- *Karin Katerbau*
- *Dr. Rainer Polster*

The business address of the members of the Board of Managing Directors is Stau 15/17, 26122 Oldenburg, Germany.

The members of the Board of Managing Directors may, within the scope of the relevant statutory provisions, hold offices at other companies.

Offices held by members of the Board of Managing Directors of OLB AG

Name Occupation	Offices held in other statutory supervisory boards of domestic companies	Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises
Dr. Wolfgang Klein <i>Chairman of the Board of Managing Directors</i>	<ul style="list-style-type: none"> • Comma Soft AG, Bonn (Chairman of the Supervisory Board) • Wilh. Werhahn KG, Neuss 	<ul style="list-style-type: none"> • none
Stefan Barth <i>Chief Risk Officer, Deputy Chairman of the Board of Managing Directors of OLB AG</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Marc Kofi Ampaw <i>Member of the Board of Managing Directors of OLB AG</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Peter Karst <i>Member of the Board of Managing Directors of OLB AG</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none

Name Occupation	Offices held in other statutory supervisory boards of domestic companies	Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises
Karin Katerbau <i>Member of the Board of Managing Directors of OLB AG</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Dr. Rainer Polster <i>Chief Financial Officer, Member of the Board of Managing Directors of OLB AG</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none

Supervisory Board

The business address of the members of the Supervisory Board is Stau 15/17, 26122 Oldenburg, Germany.

The members of the Supervisory Board hold the listed offices:

Name Occupation	Offices held in other statutory supervisory boards of domestic companies	Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises
Axel Bartsch (Chairman) <i>Chairman of OLB AG's Supervisory Board</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Jens Grove* (Deputy Chairman) <i>Bank clerk and Chairman of the General Works Council, OLB AG, Oldenburg</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Claus-Jürgen Cohausz <i>Independent business consultant, Münster</i>	JAMESTOWN US-Immobilien GmbH, Köln (Chairman of the Supervisory Board)	<ul style="list-style-type: none"> • none
Dirk Felstehausen* <i>Union secretary at ver.di, Bremen</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Brent George Geater <i>Investment professional, London (United Kingdom)</i>	<ul style="list-style-type: none"> • none 	Grovepoint group companies: <ul style="list-style-type: none"> • GIM Investments PCC Ltd, Guernsey Director • GIM Investments (Cayman) SPC, Cayman Islands Director • GIM Carry GP Ltd, Guernsey Director • GIM EC Inc., USA, Director • GIM LP1 Inc., USA, Director • GIM LP2 Inc., USA, Director
Michael Glade* <i>Director and Deputy Head of Corporate Banking, OLB AG, Oldenburg</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none

Name Occupation	Offices held in other statutory supervisory boards of domestic companies	Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises
Svenja-Marie Gnida* <i>Director of Freie Berufe regional, OLB AG, Osnabrück</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Thomas Kuhlmann* <i>Chairman of the Works Council of the Oldenburg/ Ammerland/Friesland Region and Headquarters, OLB AG, Oldenburg</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none
Gernot Wilhelm Friedrich Löhr <i>Investment professional, London (United Kingdom)</i>	<ul style="list-style-type: none"> • 	<p>Athene group companies:</p> <ul style="list-style-type: none"> • Athene Holding Ltd., Bermuda • Athene Life Re Ltd., Bermuda <p>Athora group companies:</p> <ul style="list-style-type: none"> • Athora Holding Ltd., Bermuda • Athora Class D Holdings Ltd., Bermuda <p>Apollo group companies:</p> <ul style="list-style-type: none"> • Catalina Holdings (Bermuda) Ltd., Bermuda • Aspen Insurance Holdings Limited, Bermuda • AAME UK CM, LLC, Anguilla • Apollo Asset Management Europe LLP, United Kingdom • Apollo Asset Management Europe PC LLP, United Kingdom • Apollo Investment Management Europe LLP, United Kingdom • Apollo Principal Holdings XI, LLP, United Kingdom • AISG GP Ltd. (f/k/a AAM GP Ltd.), United States of America

Name Occupation	Offices held in other statutory supervisory boards of domestic companies	Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises
		<ul style="list-style-type: none"> • Apollo Management International LLP, United Kingdom
Dr. Manfred Puffer <i>Senior investment advisor, Meerbusch</i>	<ul style="list-style-type: none"> • Infineon Technologies, München • Athora Lebensversicherung Aktiengesellschaft, Wiesbaden 	Apollo group companies: <ul style="list-style-type: none"> • Athene Holding Ltd., Bermuda • Nova KBM d.d., Slovenia • Evo Banco, Spain
Sascha Säuberlich <i>Chartered accountant (South Africa), London (United Kingdom)</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • Biddulph Mansions (West) Limited, United Kingdom • Tangofleet Limited, United Kingdom
Christine de Vries* <i>Project manager, OLB AG, Oldenburg</i>	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • none

* elected by the employees

Conflicts of Interest

The members of the Board of Managing Directors and Supervisory Board are committed to the interests of OLB. They may not pursue personal interests in their decisions nor take advantage of business opportunities that OLB is entitled to. Each member of the Board of Managing Directors must immediately disclose potential conflicts of interest to the Chairman of the Board of Managing Directors and the Chairman of the Supervisory Board. Significant transactions between OLB on the one hand and a member of the Board of Managing Directors or related parties or undertakings on the other hand require the approval of the General and Compensation Supervision Committee of the Supervisory Board. Each member of the Supervisory Board shall disclose potential conflicts of interest to the Supervisory Board, particularly if they could arise as a result of an advisory or governing body function at clients, suppliers, lenders or other business partners. A possible measure to deal with the conflict of interest is, in particular, the exclusion of the relevant Supervisory Board member from consulting and deciding on the respective matter.

PRINCIPAL SHAREHOLDERS

The share capital of the Issuer currently amounts to EUR 90,468,571.80; it is divided into 23,257,143 no-par bearer shares, which are fully paid up. The market listing was discontinued at the end of 28 June 2018.

As of the date of this Offering Memorandum, the shares in OLB AG are held as follows:

- *Champ Luxembourg Holdings S.à r.l.* 35.72%
- *GIM Strategische Investition VI S.à r.l.* 32.28%
- *Texas Bildung Holding GmbH & Co. KG* 32.00%

There is neither a control nor a profit-and-loss transfer agreement in effect.

Financial Information regarding the Assets, Liabilities, Financial Position and Financial Performance of the Issuer

The audited annual financial statements for financial years 2019 and 2020 (in each case individual financial statements according to HGB) have been incorporated by reference.

Audit of the Historic Annual Financial Information

The financial statements for 2019 and 2020 were granted unqualified audit opinions by the auditors.

Other disclosures in relation to the Issuer in this Offering Memorandum are from the Issuer and have not been audited by the auditor.

Accounting Standards

The audited financial reports of Oldenburgische Landesbank Aktiengesellschaft for financial years 2019 and 2020 have been prepared in accordance with the provisions of the HGB, in particular the "Supplementary Rules for Credit Institutions" (sections 340 et seq. HGB) and the German Accounting Directive for Banks and Financial Services Providers (*Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute – RechKredV*).

Fiscal year

OLB AG's financial year is the calendar year.

Selected Financial Information for OLB AG for the Years ended 31 December 2019 and 2020

The following two tables contain a summary of selected financial information taken or derived from OLB AG's audited HGB individual financial statements for financial years 2019 and 2020.

Assets	31 Dec 2019	31 Dec 2020
	EUR m	EUR m
Cash reserve	1,230.9	1,654.6
Receivables from banks	552.6	764.7
Receivables from customers.....	15,141.9 ¹²	15,540.9 ¹³
Investment portfolio ¹⁴	2,461.4	2,907.5
Tangible fixed assets	63.3	61.5
Trust assets	1.3	18.4
Other miscellaneous assets ¹⁵	193.0	527.6
Total assets	19,644.3	21,475.2

Equity and Liabilities	31 Dec 2019	31 Dec 2020
	EUR m	EUR m
Liabilities to banks	4,772.8	5,257.1
Liabilities to customers	12,715.2	13,011.4
Securitized liabilities	203.2	272.2
Subordinated debt.....	228.3	198.3
Participatory capital	-	-
Trust liabilities	1.3	18.4
Other miscellaneous liabilities ¹⁶	594.9	1,560.4
Equity and reserves per Sec. 340g HGB.....	1,128.7	1,157.3
Equity	1,108.6	1,157.2
Fund for general banking risks	20.1	0.1
Total equity and liabilities	19,644.3	21,475.2

¹² EUR 12.5 billion excluding development program receivables and financing.

¹³ EUR 12.8 billion excluding development program receivables and financing.

¹⁴ Sum of bonds and other fixed-income securities, shares and other non-fixed-income securities and trading portfolio assets.

¹⁵ Sum of Investment securities, Shares in affiliated companies, Intangible fixed assets, Other assets, Prepaid expenses and Net pension assets.

¹⁶ Sum of Other liabilities, Deferred Income und Provisions.

The following table contains the Issuer's Key Income Statement Figures¹⁷:

Results (unaudited)*	2018	2019	2020	18-20 CAGR
	EUR m	EUR m	EUR m	
Net Interest Income	293.3	317.2	336.3	7.1%
<i>Interest Income</i> ¹⁸	435.4	453.7	444.6	1.1%
<i>Interest Expenses</i>	(142.2)	(136.5)	(108.3)	(12.7%)
Net Commission Income	84.4	103.6	113.3	15.9%
Net Trading Income / (Expenses)	(0.1)	0.0	0.1	-
Operating Income	377.6	420.8	449.7	9.1%
Personnel Expenses	(164.0)	(177.6)	(173.2)	2.8%
Other Administrative Expenses	(107.1)	(119.0)	(108.1)	0.5%
Depreciation, Amortization and Impairment ¹⁹	(16.3)	(14.8)	(13.8)	(8.1%)
Operating Expenses	(287.4)	(311.3)	(295.1)	1.3%
Net Other Operating Income / (Expenses)	2.0	5.0	3.6	34.3%
Risk Provisions for The Lending Business	(6.5)	(6.8)	(30.7)	117.9%
Gain / (Loss) On Securities in the Liquidity Reserve	(4.5)	21.0	8.0	-
Net Operating Result	81.2	128.8	135.5	29.1%
Other Result	(0.1)	20.2	(0.0)	-
Extraordinary Result	(38.5)	2.0	(20.6)	(26.8%)
Profit Before Tax	42.6	151.0	114.9	64.1%
Net Profit / Net Loss For The Fiscal Year	20.6	109.8	78.6	95.5%
Return on equity post tax ²⁰	2.0%	10.4%	6.9%	+4.9ppts

*The information set out in these tables constitutes Condensed Unaudited Historical Financial Information. The Condensed Unaudited Historical Financial Information is unaudited and derived from the OLB Audited Financial Statements but presented in line with OLB's unaudited management accounts. See "Presentation of Financial Information". Tables setting forth a reconciliation to the corresponding line items in the OLB Audited Financial Statements are attached as "Annex A". Investors are cautioned not to place undue reliance on this unaudited presentation when making a decision to invest in the Notes.

In financial year 2020, OLB AG had a net profit for the fiscal year of EUR 78.6 million, a return on equity post tax of 6.9% and a cost income ratio of 65.6% (as compared a return on equity post tax of 10.4% as of 31 December 2019 and 2.0% as of 31 December 2018 and a cost income ratio of 74.0% and 76.1% respectively).

¹⁷ Abbreviated Income Statement showing only the main components i.e. certain line items are grouped versus the audited statements.

¹⁸ Includes Interest Income, Income from profit Pooling, profit Transfer or partial profit transfer Agreements, and Profit Earned for the Account of others from the transferring legal entity.

¹⁹ Depreciation, Amortization, And Impairment Of Intangible And Tangible Fixed Assets.

²⁰ Calculated as Net Profit / Net Loss For The Fiscal Year divided by average Equity for the year.

COURT AND ARBITRATION PROCEEDINGS

In the course of normal business operations, and in its capacity as an employer, investor and taxpayer, OLB is exposed to the risk of proceedings in the courts and before regulatory bodies.

OLB recognizes provisions for potential losses from contingent liabilities in accordance with, and to the extent permissible under, applicable accounting rules. However, OLB's final actual liability may differ from the provisions that have been recognized, as a high degree of judgement is involved in assessing the probability of uncertain liabilities in such legal proceedings and quantifying them. These estimates may turn out to be inaccurate at a later stage of the proceedings.

Other than as described below, within the past 12 months, there have been no government interventions, judicial or arbitration proceedings (including such proceedings which, to the knowledge of the Issuer, are still pending or can be initiated) that can have or have recently had a material impact on the financial situation or profitability of OLB AG and/or OLB, nor have such proceedings been completed:

- In December 2016, the Kreditanstalt für Wiederaufbau ("**KfW**") filed a lawsuit against OLB for repayment of the outstanding balance from a total of 39 refinancing loans granted in a total amount of approximately EUR 14.6 million. The current total amount is EUR 13.3 million, plus interest, due to subsequent repayments made by sub-borrowers. OLB had refused repayment due to an agreed release from liability. Alleging breaches of due diligence both by an intermediary commissioned by OLB in the business division of special financing and by OLB itself, KfW alleges that a claim for release from liability has expired. OLB considers the claims unfounded. According to a court order of 19 November 2019, the competent court, Oldenburg Regional Court (*Amtsgericht Oldenburg*) has issued a preliminary opinion that a breach of duty attributable to the intermediary has not been sufficiently demonstrated. Following the preliminary opinion, on 12 January 2021, the competent court resolved that in 15 cases, legally pending claims totaling approximately EUR 3.7 million were likely to be not enforceable due to a lack of maturity of the final loans or due to the statute of limitations. Pending final decision on two cases, OLB has already made a preliminary total provision of EUR 1 million.
- OLB is involved in claims for damages by approximately 25 different retail companies against various banking associations for alleged antitrust violations in the regulation of dealer fees in electronic cash proceedings. The claims for damages aim at the banking associations (including those to which OLB is associated) joint and several liability for their member institutes, which issued girocards and collected fees provided for in this payment system. The claims currently amount to more than EUR 148 million without interest and costs (which may be significant). As of the date of this Offering Memorandum, no court hearing has taken place and an assessment of the court is not yet available. The German banking industry and its legal advisors believe there are good arguments to conclude that the claims for damages will not be successful, or at least not in the amount claimed. Hence, OLB did not include any provision relating to these claims. Should the banking associations/institutions be unsuccessful in such pending proceedings, OLB could also be liable in case it is ruled that there will be a pro-rata compensation obligation for such claims.
- Since the end of April 2020, approximately 94 plaintiffs have filed lawsuits against OLB at the Oldenburg Regional Court totaling approximately EUR 18,4 million. All lawsuits are based on the same fact pattern taking place in 2017. The claims relate to actions by BHN, which acted as paying agent for a securitization issuer of bearer bonds. The plaintiffs, who were investors in the bearer bonds, paid funds into the account held by BHN either directly or indirectly via a trust account held by an affiliate of the issuer. Certain of these funds have been misappropriated. The plaintiffs allege that BHN breached its duty of care and informed investors about all circumstances of the investment. OLB, as the legal successor of BHN, is currently in legal proceedings in relation to these claims and has filed a motion to dismiss the claims. Following the preliminary opinion in the first hearing, on 8 June 2021, the competent court appeared to share OLB's view and pointed out that it did not assume that BHN had breached its duties, in particular a duty to warn.
- At the end of December 2020, a wind farm project company, also acting on behalf of two wind farm operating companies, filed a lawsuit against OLB for a total of EUR 2.59 million at the Oldenburg Regional Court. It accuses OLB of culpability in the initiation of the contract, which made alternative financing by another bank necessary and thus led to delays in the completion of the turbines. This resulted in both increased costs and lost income. OLB defends itself against the

accusation of culpable conduct and does not consider the requirements for a claim to be met. Accordingly, it has requested that the action be dismissed as unfounded. At the hearing on 15 June 2021, the competent court indicated that, according to its preliminary assessment, the action was admissible but unfounded due to the lack of a breach of duty.

- In early 2020, OLB extraordinarily terminated a loan agreement of EUR 4 million and started to negotiate the sale of OLB's loan position to other banks. However, OLB and the other banks could not agree on such a sale of the loan. Subsequently to the failure to complete the negotiations on the sale of the loan, the company which was the debtor of the loan had to file for insolvency. Shareholders of the insolvent company are currently assessing whether to bring claims for damages against OLB due to its extraordinary termination of the loan. OLB believes the extraordinary termination of the loan agreement was valid under the terms of the agreement. No formal proceedings or claims have yet been initiated regarding this matter. Accordingly, no provision has been recorded as of the date of this offering memorandum. Should damages be sought, the amount of damages sought could significantly exceed the portion of the loan agreement amount relating to OLB.

MATERIAL CHANGES IN THE FINANCIAL POSITION OF THE ISSUER

Since 31 December 2020, there has been no material change in the financial position of the Issuer.

MATERIAL AGREEMENTS

OLB has not entered into any agreements outside its ordinary course of business which have had a material influence on its business operations (including OLB's ability to meet its obligations to holders of issued debt securities) or which can be expected to exert such influence for good reason.

RISK MANAGEMENT OBJECTIVES AND POLICY/RISK MANAGEMENT STRATEGIES AND PROCEDURES

Basic principles of risk control

OLB strictly observes the principle that front- and back-office operations must be kept entirely independent from risk monitoring. It therefore maintains a strict separation between the market units' active assumption of risk, together with their risk management, on the one side, and risk monitoring, on the other. In the lending business and treasury operations, additionally, a separation between the front and back office is maintained at all levels below the Board of Managing Directors.

When new products are introduced, a predefined process (the procedure for introducing new products or for entering new markets – new products, new markets, or NPNM) ensures that all concerned functions of OLB are able to participate in the risk and earnings analysis before planned new business activities begin.

Before changes are made to the OLB's structure and procedures or its IT and rating systems (per CRR), the impact on the internal control system and on the risk management and controlling system is assessed and classified in a defined procedure by means of an internal controlling and risk assessment group. This ensures that before any planned measure is introduced, it has been reviewed by the organizational units affected and any necessary adjustments to the risk management and controlling system have been prepared.

A number of panels support the Board of Managing Directors in preparing for decisions on risk management. The most important entity in this regard is the Risk Committee.

The established risk reporting system established within OLB ensures that OLB AG's Board of Managing Directors is kept involved and informed about the risk management process.

Suitable employee qualification measures in the risk management process ensure that the employees have the necessary and appropriate knowledge and experience.

Risk culture

Knowingly assuming risk and credit risks is inherent in OLB's business and risk strategy.

Shared ethical values and a company-wide risk culture consistent with the risk strategy are important factors for the success of OLB's sustainable business performance. A well-defined corporate and risk culture can lastingly reduce misconduct by employees, while at the same time exerting a positive influence on the public's perception of OLB and its reputation.

For OLB, this means continuously encouraging an internal risk culture, and deliberately reinforcing a value system that firmly anchors risk management and risk awareness in its corporate culture. In this connection, the principles of conduct established and communicated within OLB are of particular importance.

OLB's Code of Conduct is a significant basic component of its practiced system of values, and must be considered a minimum standard for all employees' conduct. Not only the Board of Managing Directors but also all of OLB's executives play a significant role in shaping OLB's guiding principles, by setting an example through their own conduct. An appropriate risk culture, such as the one which the OLB has defined for itself, presupposes a management concept of open communication and cooperation, in which recognized risks are frankly communicated and crisis situations are approached with a focus on finding a solution. Employees are motivated to align their conduct with OLB's defined system of values and Code of Conduct, and to act within the bounds of risk tolerance as defined in further detail in the risk strategy. The implemented system of risk management and the transparency and communication needed for that purpose offer employees a chance to make the most of opportunities within the prescribed general conditions for risk management.

At the same time, however, employees are also responsible for assessing risk comprehensively and managing it proactively. One significant component of risk culture is the conscious care and discipline with which participants approach their tasks in the customer and risk management process.

A risk culture implies a constructive, open dialog within OLB that is encouraged and supported at all levels of management. In past years, OLB has already taken many steps that have further refined and lastingly reinforced a risk culture as part of its corporate culture.

Risk strategy

OLB AG's Board of Managing Directors adopts the risk strategy, reviews it at least once a year, and discusses it with the Supervisory Board.

It is based on OLB's business strategy and takes account of the results of OLB's risk assessment, risk-bearing ability, and organizational environment. The Issuer's business strategy is developed in a structured strategy process that seeks to ensure that its business and risk strategy is consistent with its business plans; OLB only enters into risks that are subject to a control process, and in amounts that pose no threat to the Company's continuing existence; claims by OLB's customers and other creditors are secured; OLB's risk-bearing capacity is ensured through a risk-sensitive limitation of the principal risk categories and of the risks at the level of OLB's lines of business; that OLB's solvency is ensured and monitored by way of limits; and OLB has appropriate risk reporting and monitoring capabilities in place.

OLB operates with a long-term perspective, applying a business model focusing on soundness and consistency. OLB's risk management process supports the implementation of this strategy by managing risk exposure so as to ensure that the Company's net assets, financial position and results of operations remain stable.

From the viewpoint of business and risk strategy, an appropriate employee compensation system plays an especially important role, because in addition to other goals of human resources policy, it also ensures that employees counteract risk adequately. For that reason, the structure of that system is regularly reviewed by the Board of Managing Directors, revised if necessary, and formally noted by the Supervisory Board.

Decisions about a strategic approach are made taking due account of the opportunities associated with the risks or, in case of operational risks, considering the costs associated with reducing or avoiding these risks.

Structure and Organization of the Relevant Risk Management Function

As part of its overall responsibility, and under the terms of section 25c KWG, OLB AG's Board of Managing Directors is responsible for defining OLB's strategies and for establishing and maintaining an appropriate, consistent, up-to-date risk management system. It defines the principles for risk management and controlling, together with the organizational structure, and monitors their implementation.

The risk policy – as an embodiment of the requirements under the risk strategy – describes the principal aspects for organizing risk management. As part of that policy, below the Board of Managing Directors, the Risk Committee is established as the central body that monitors and manages OLB's risk-bearing ability. The Risk Committee includes the Chief Risk Officer, the Chief Financial and Treasury Officer, the head of Credit Risk Management, and the heads of the Risk Controlling, Finance/Controlling, and Treasury departments. Subcommittees of the Risk Committee are the Risk Methods and Process Committee, Operational Risk Committee and the Credit Portfolio Committee, each of which is headed by the Chief Risk Officer. Changes in methods and risk parameters are assessed with expert knowledge by the Risk Methods and Process Committee. The Operational Risk Committee is the corporate committee for managing operational risks within OLB. The full Board of Managing Directors makes the final decision on aspects strategically relevant to risk. Its decisions are bound by the rules of procedure issued by the Supervisory Board, which define the required conditions. Any decisions outside the authority of the full Board of Managing Directors are coordinated with the Risk Committee and decided upon by the Supervisory Board. The following bodies and organizational units are responsible for managing the principal types of risk:

Risk types and management responsibilities

Type of risk	Body/organizational unit
Credit risk	Risk Committee (Credit Portfolio Committee)
Market risk	Risk Committee, Bank Management Committee
Liquidity risk	Risk Committee, Bank Management Committee
Operational risk	Risk Committee (Operational Risk Committee), Risk Compliance Committee

In keeping with the strategic focus and goals defined by the Board of Managing Directors in the Business and Risk Strategy as well as prescribed areas of authority and limits, these bodies and organizational units have the task of duly controlling risk on the basis of their analyses and assessments. This task also includes adequately designing organizational structures, processes and target agreements. However, decisions on individual credit risks are the responsibility of various levels of the organization as defined in the current allocation of authority.

Risk monitoring is performed by the Risk Controlling department, and in the case of operational risks, additionally by the Compliance and Organization department. These departments are organizationally independent components of OLB's risk management system. They are kept strictly separate both from each other and from the units in charge of initiating, entering into, assessing and approving transactions. The task of Risk Controlling is to fully and consistently analyze, measure and monitor risks. It provides the risk analyses and risk information that risk management needs for active management adequate to the risk at hand.

The compliance function works to implement effective methods to ensure compliance with key legal rules and requirements for OLB. It advises and assists the Board of Managing Directors in relation to regulatory issues. In terms of risk management, the Organization department is responsible for identifying operational risks throughout OLB (with the exception of operational risks relating to the systems environment which are the responsibility of the IT department and reputation risks, which are the responsibility of the Corporate Communications department). The IT department is also involved in controlling operational risks by participating in the Operational Risk Committee, and supports Risk Controlling in assessing and reporting on operational risks.

In addition, the Internal Auditing department performs an assessment of the adequacy of the risk management and controlling system from outside the process, by auditing the functionality and efficacy of the entire risk process and the other processes associated with it.

Strategies and Procedures for Managing the Main Types of Risk

As part of the annual risk assessment process, OLB examines what risks are relevant to it, and whether all significant types of risk are subjected to an appropriate risk management process. Credit risk, market price risk, liquidity risk and operational risk are defined as significant risks that, because of their amount and nature, are material to OLB's continuing existence. The results of the risk assessment are incorporated into the risk-bearing ability process by way of the risk strategy.

OLB also considers sustainability risks. For instance, it analyzes the effects of a protracted drought on the affected sectors in its credit portfolio. These risks do not constitute a separate risk category. They may instead affect all known risk types and are factored into strategic planning.

Credit risk

Strategy for credit risk

Knowingly assuming credit risks is an integral part of the business and risk strategy. The strategic risk goal is the permanent preservation of the risk-bearing ability while simultaneously optimizing the risk-return ratio.

The management of credit risk is a shared task of the front offices and the Risk function based on responsible action as part of the bank-wide risk management process.

The aim is to avoid risks that are unsustainable for OLB or for which no economically reasonable risk premium can be obtained. Concentration risks are limited by, for example, defining limits for specific sub-portfolios.

Management of credit risk

Management of all credit risks in the customer lending business is based on an integrated concept of guidelines, structures of authority, and requirement systems consistent with OLB's strategic focus and objectives.

The loan decision process is structured consistently with this concept. An organizational and disciplinary separation between front office and back office is ensured at all levels.

During the life of the credit, all exposures are monitored at all times. As a rule, a manual update of the rating is performed annually for relevant loans. Furthermore, automated status ratings are carried out monthly. In addition, all exposures are monitored by various automated and manual early detection procedures for risk; when needed, these procedures trigger a mandatory rating review together with predefined analytical and reporting processes.

The timing and scope of recurring appraisals of collateral depend on the nature of the collateral and the value attributed to it. Since real property plays such an important role as collateral for OLB, a central real estate monitoring unit has been set up that tracks regional changes in prices in the real estate market, and triggers an individual review of the affected regional real estate figures when material changes occur.

The qualitative and quantitative requirements for approving and monitoring exposures are coupled to the risk involved in each case. Depending on volume and credit rating, spheres of authority are defined so that credit decisions are always made at a level adequate to the risk involved.

In addition, Risk Controlling reviews the evolution of credit risks as a whole each quarter. It performs structural analyses of the portfolio (rating, collateral, size classes, economic sectors, new business, etc.), and investigates the impact on expected loss and on both economic and regulatory equity requirements. The results are incorporated into the quarterly risk report to the Risk Committee, the full Board of Managing Directors, and the Supervisory Board.

Stress tests are additionally performed at regular intervals. The scenarios considered there are regularly reviewed in terms of their up-to-dateness and relevance.

Market risk

Strategy for market risk

OLB has access to domestic regulated, open and OTC markets for stocks, bonds, money markets and derivatives markets, partially through third-party service providers which also enable it to access corresponding international marketplaces. Although it does not trade on its own account, it does conduct transactions – especially in its business with customers – that are classified for regulatory purposes as "small trading book business". Small trading book business (according to Article 94 CRR) is trading portfolio business that is always less than 5% of an institution's total assets.

OLB conducts trading transactions in the non-trading portfolio when they are intended to safeguard OLB's long-term liquidity and to control the risk of changes in interest rates within the defined limits. In this way, they serve to safeguard OLB's long-term survival and earnings stability. The principal lines of business included in the non-trading portfolio are money trading and trading in or issuing bonds. They are complemented by derivative transactions to mitigate risk.

Interest rate risks in the interest rate book are managed at OLB on a present value method. Interest rate risks in the banking book are managed by the "passive" method. The risk position essentially derives from developments in new lending business, the holdings of highly liquid bond securities in necessary liquidity reserves, and the refinancing structure. Investments for OLB's liquidity reserve may be made only within a specifically defined range of product types.

OLB counters issuer and counterparty default risks in the trading business with banks, and in securities investments, by limiting its dealings fundamentally to trading partners who have first-class credit ratings and to central-bank counterparties, as well as by maintaining a firmly established system of limits and pursuing a broadly diversified portfolio. The strategic orientation is defined in OLB's risk strategy.

Management of market risk

The risk from the non-trading portfolio derives primarily from changes in interest rates. An open foreign-currency position is possible only for very minor technical amounts. The limit for open foreign-currency positions is set at EUR 1 million. Additionally, the limit for holdings in foreign cash, precious metals and commodities is set at EUR 2 million.

In terms of the approval process, credit risks from the trading business are treated analogously to the commercial lending business.

OLB's Bank Management Committee and the Risk Committee are responsible for managing market price risk. Positioning in the non-trading portfolio is deliberated and decided by the Bank Management Committee. Market risks are monitored by the Risk Controlling department, and limits are adopted by the full Board of Managing Directors, taking due account of recommendations from the Risk Committee.

Value at risk for market risks (99.9% / 1 year) serves to limit risk, and is further allocated between stocks and the interest rate book, taking diversification into account.

To assess market risk, in addition to statistical risk assessment using value-at-risk models, OLB applies both regulatory and economic stress tests.

Treasury largely manages the risk of interest rate changes by means of interest rate derivatives. OLB primarily uses interest rate swaps to manage the interest rate risk of the banking book. Such interest rate swaps are only used for non-speculative hedging purposes and do not have a valuation effect. In addition, Treasury can influence the securities held in the liquidity reserve at any time with respect to the volume and the fixed interest rate.

Liquidity risk

Strategy for liquidity risk

The strategy of OLB is to maintain sufficient liquidity to ensure solvency at all times.

Management of liquidity risk

Liquidity risks are limited based on the institution-specific funding matrix, the regulatory key indicator liquidity coverage ratio (LCR) and NSFR. The Risk Committee is regularly informed of the evolution of the key ratios. These considerations are supplemented with a liquidity buffer that must be maintained, derived from weekly and monthly liquidity outflows from customer transactions. To ensure that no liquidity shortfall over a 6-month period occurs even in downgrade scenarios, OLB runs three individual stress tests: downside, recession and a combination scenario. The analysis takes account of business performance both under normal market conditions and under stress scenarios.

OLB's treasury department can draw at any time on the securities held in the liquidity reserve, or cover additional liquidity needs through sales, pledges for the Bundesbank refinancing facilities, or forward sales under repurchase operation (repo) agreements.

Since 1 January 2017, the minimum value of 100% for LCR was maintained. As of 31 December 2020, OLB reported an LCR of 143% (2019: 159%, 2018: 172%).

At 30 June 2021, the minimum value of 100% for NSFR was maintained.

Operational risk

Strategy for operational risk

OLB pursues the strategy of primarily avoiding operational risks or reducing existing operational risks. Within the scope of a catalog of competencies and taking cost-benefit aspects into account, operational risks can be accepted or assumed to a limited extent (risk assumption).

OLB uses uniform, coordinated instruments to identify, measure and monitor operational risks. Since 2003, relevant losses attributable to operational risks have been collected in a structured, systematic way in an internal database. The history from those losses serves as a basis for a focused, detailed analysis and remediation of causes.

As part of the annual risk assessment, risk scenarios specific to OLB are developed by the Risk Controlling department. The relevant scenarios are discussed at risk workshops with experts from the specialized departments, who assess them for the potential level and frequency of losses. If changes occur under scenarios during the year, the corresponding scenarios are reassessed. The assessment is based on OLB's own experience as well as other available internal and external data.

Management of operational risk

Management of operational risks is essentially based on the scenario analyses, on analyses of losses actually incurred, and on the risk indicators for operational risks. Depending on the importance of the recognized risk fields, it may be necessary to take steps to limit risks, taking cost-benefit considerations into account. Such steps include optimizing processes and keeping employees adequately informed (including through continuing training and by using up-to-date communication methods), as well as taking out insurance against major losses (for example, a fire at the headquarters) and establishing an appropriate backup system for computer data. Within the scope of the stress test for operational risks, the effects of the hypothetical realization of an extreme loss scenario on the OLB AG's income statement are considered.

Risk-Bearing Capacity

The Risk Committee monitors and manages OLB's risk-bearing capacity. To determine the risk-bearing capacity, OLB applies two different perspectives: a normative perspective and an economic perspective.

Normative Perspective. For the review of OLB's normative perspective, OLB considers an adverse scenario over a period of three years, including the effects on it of a severe economic downturn on OLB. The starting

point for the normative perspective is the regulatory and supervisory key performance indicators and their calculation logic. The risk-bearing capacity in the normative perspective is positive, as long as the adverse scenario does not lead to a short-fall in the Tier 1 capital ratio and the overall ratio required in accordance with the CRR taking the SREP premium into account in each case.

Economic Perspective. The economic perspective is used to ensure the preservation of OLB's assets over the long term and to protect creditors against losses in economic terms. In the economic perspective, the key risks and its risk-coverage potential are considered from an economic point of view. The key figure for assessing risk-bearing capacity in the economic perspective is the cover ratio based on the level of capacity utilization. OLB calculates this as the ratio of existing risk coverage potential and the risk capital required for the risks entered into. Risk-bearing capacity in the economic perspective is guaranteed, as long as the coverage ratio based on capacity utilization is greater than or equal to 100%. To safeguard OLB's continuing existence and leeway for action in terms of business policy in the event of potential adverse changes in the economic environment, its risk strategy also defines a reserve for the adverse scenario that exceeds this minimum requirement. Risk capital requirements are calculated using value-at-risk models, with a confidence level of 99.9% and a holding period of one year. The risk-coverage potential in the economic risk bearing capacity does not take into account future profits.

Scope and Type of Risk Reporting and Measurement Systems

In risk reporting, the risk controlling system reports regularly to decision makers (the full Board of Managing Directors, Risk Committee, pertinent department managers) and the Supervisory Board, as well as the Risk Committee appointed by the Supervisory Board. The frequency of reporting depends on the significance of the risk and on regulatory requirements. Information that is significant for risk is immediately conveyed to management, the officers in charge, and to the Internal Auditing and Compliance departments, if applicable.

On behalf of the Board of Managing Directors, Risk Controlling additionally prepares an overarching risk report on the basis of the individual detailed reports. This is submitted quarterly to the Board of Managing Directors and serves as the basis for risk management and reporting to the Risk Committee and the full Supervisory Board.

Filing external risk reports with the German Central Bank (*Deutsche Bundesbank*) regarding the lending business is the task of the Finance/Controlling department.

Credit risk adjustments

Definition "overdue" and "non-performing"

A customer is deemed to be "overdue" as soon as he has a material overdraft in accordance with CRR, which is defined as a cumulative overdraft of the customer or cumulative loan arrears of at least EUR 100 and at least 1% of the customer's balance sheet total. In addition, overdrafts and arrears of EUR 250 thousand or more are classified as material at OLB, irrespective of the customer's loan volume. If the customer is more than 90 days overdue or if there are other indications of imminent insolvency (e.g., initiation of insolvency proceedings), he is deemed to have "defaulted" for accounting purposes and within the framework of capital adequacy. He is included in the procedures for determining a loan loss and assigned to the category "non-performing." The default definition is used uniformly for the accounting and the equity calculation according to CRR.

Approaches and methods

OLB uses four methods to calculate the need for loan losses for on-balance-sheet and off-balance-sheet loan receivables. OLB differentiates between a homogeneous and an inhomogeneous portfolio in its relevant processes.

For all exposures of the homogeneous and inhomogeneous portfolio, risk provisioning takes place up to the formation of a loan loss in the form of a lump-sum loan loss provision (in the homogeneous portfolio: Portfolio Loan Loss Provision ("**PLLP**"); in the inhomogeneous portfolio: General Loan Loss Provision ("**GLLP**"). PLLP and GLLP are determined in a machine procedure using historical risk parameters based on the expected loss.

The formation of provisions for defaulted exposures of the inhomogeneous portfolio takes place in the form of a loan loss (Specific Loan Loss Provision "**SLLP**") using the discounted cash flow method. The SLLP is calculated as the difference between the carrying amount of the receivable on the one hand and the cash value of still expected cash flows from the receivable and the collateral provided on the other. In the homogeneous portfolio, the SLLP applies as soon as the underlying exposures are classified as defaulted for a predefined period of time. In this case, the PLLP is then transitioned to the SLLP, the calculation of which is identical to the procedure in the inhomogeneous portfolio.

The country risk provisioning reflects the transfer and convertibility risk of receivables from borrowers domiciled abroad. The amount of the provision is calculated – taking into account recoverable collateral and any existing provisions for customer risks – as the expected default rate (country risk provisioning ratio) on customer receivables. As of the balance sheet date of 31 December 2020, no country risk provisioning was necessary.

Changes in risk provisions for lending business as of 31 December 2020

millions of euros	Initial amount of the period	Allocation	Reversals	Used	Reversals through unwinding	Ending amount of the period
		(+)	(-)	(-)	(-)	
SLLP	108.6	41.9	18.6	24.9	0.5	106.6
Provisions	13.4	6.9	1.4	-	-	18.9
GLLP/PLLP	30.0	25.5	-	3.7	-	51.8
Total.....	152.1	74.3	19.9	28.6	0.5	177.3

Structure of internal assessment systems

Credit assessment and early risk identification procedures

The key factor for assessing the creditworthiness of a borrower is the probability of default, expressed as a credit rating. It is determined based on quantitative and qualitative factors. OLB uses different procedures depending on the type of customer or borrower and the business to be conducted.

These systems are supplemented by automated monitoring procedures that determine a credit rating based on customer data and account information, trigger corresponding processing obligations and/or trigger the activation of another competence level.

Structure of the rating procedures

OLB applies the Advanced Internal Ratings Based Approach ("**A-IRBA**"), which is the most sophisticated approach within the regulatory framework, to determine the regulatory capital requirements of its loan portfolio. Upon admission to the A-IRBA, OLB may determine the regulatory capital requirements for counterparty risks on the basis of internal rating procedures as well as self-assessed parameters for the exposure at default ("**EAD**") and the loss given default ("**LGD**"). In 2008, OLB received approval to apply the A-IRBA.

The rating procedures used to determine the probability of default differ in structure according to the type of borrower and business. Generally, both qualitative and quantitative information on the borrower is included in the rating. For example, in the risk exposure classes of the retail business, this information consists of personal data, business connection data, as well as financial and account data. For corporate clients in the "Corporate" exposure class which are not classified as specialized lending under Article 147 (8) CRR, the financial statements form the basis for assessing the financial position. Qualitative information, e.g., on the competitive situation or qualification of the management, complement the evaluation.

For specialized lending, proprietary rating procedures are used. Since the repayment of obligations is primarily based on the income generated by the funded projects, project indicators such as debt service coverage ratio (DSCR) are key quantitative components of these rating procedures. Qualitative factors, such as operators' project experience or the location of wind turbines, are likewise incorporated. The

allocation of risk weightings for specialized lending positions is carried out in accordance with the methods of Article 153 (5) CRR.

In the rating systems belonging to the retail business, the portfolio valuation, i.e., the current valuation outside of new business, is carried out by a machine procedure, which is substantially based on the valuation of the movements on the payment transaction accounts. The application rating procedure in the rating systems "Private Mortgage Lending," "Consumer Loans" and "Private Customers Other (Standard/Individual)" also assesses the financial circumstances of the applicant. In addition, information from external credit ratings agencies is included in the rating result. The quantitative methods of credit rating are developed on the basis of accepted statistical modeling techniques, such as logistic regression. In accordance with Article 174 CRR, the models used are supplemented by individual assessments by the responsible employees in order to take account of information that is not covered by the model. In some procedures, a manual overwriting of the determined credit rating class, a so-called override, is possible. This requires an explicit justification.

In the "Institutions" exposure class, OLB uses a pool-based shadow rating. The aim of the mapping approach underlying the rating procedure is to replicate the ratings issued by external rating agencies as closely as possible. For this purpose, both quantitative information from the annual financial statements of the institutions as well as qualitative information are used. Depending on the rating system, the rating is determined by the employees of the front and/or the back office. In the pure private clients business (support by the branch or by Private Banking), scorings for mortgage loans, installment loans, overdraft facilities and credit cards up to a credit volume of EUR 250 thousand are provided exclusively by the front office given sufficient creditworthiness. In all other cases, the rating is created jointly by the front and back office. The bank rating is created exclusively in the back office.

The ratings in the exposure classes "Corporate" and "Institutions" are updated at least annually as part of the ongoing credit monitoring process. In the retail business, which is not subject to a periodic revaluation but only on an event-related basis (e.g., initiated on the basis of risk signals), the machine evaluation is applied after the expiry of the validity of an application scoring or a business customer rating.

The monthly assignment of loans to the defined rating systems is based in technical terms on the currently valid databases. For the assignment, the customer type, the type of the business and, for enterprises and the self-employed, the loan volume and the business turnover are consulted.

All of OLB's relevant IT systems include suitable data entry verification procedures and are subject to periodic audit reviews. In the event of serious data quality defects, remedial action is initiated immediately.

Master scale

The basis for determining the probability of default is a consistent and unambiguous identification of default events. OLB bases this on a definition of default that is in accordance with the requirements of Article 178 CRR and confirmed by the supervisor during the quality audit.

The result of a rating, the estimated one-year default probability (Probability of Default (**PD**)) is uniformly mapped on a master scale at OLB for all rating procedures. The OLB master scale comprises 16 classes, with classes 1 to 14 each assigned an average probability of default; classes 15 and 16 apply to defaulted customers.

The following overview describes the credit rating classes used at OLB.

Credit rating classes

Rating class	Average probability of default (PD)	PD-Range	Standard & Poor's	Description OLB
1	0.015%	< 0.02%	AA+	Ability to fulfill the payment obligations. "Investment grade"
2	0.030%	0.02% - 0.05%	AA-	
3	0.060%	0.05% - 0.08%	A-	
4	0.110%	0.08% - 0.15%	BBB+	
5	0.200%	0.15% - 0.26%	BBB-	
6	0.350%	0.26% - 0.46%	BB+	
7	0.600%	0.46% - 0.80%	BB	Ability to fulfill the payment obligations with limitations
8	1.050%	0.80% - 1.40%	BB-	
9	1.850%	1.40% - 2.45%	B+	
10	3.250%	2.45% - 4.30%	B	Ability to fulfill the payment obligations impaired
11	5.700%	4.30% - 7.50%	B-	
12	10.000%	7.50% - 13.25%	B-	
13	17.500%	13.25% - 23.00%	CCC	Increased to severe default tendency to default of payment
14	30.000%	≥ 23.00%	CCC	
15	100%	100%	D	Borrower is in default of payment according to CRR or deemed to have defaulted
16	100%	100%	D	

In addition to the probability of default determined according to the rating procedures, further internally estimated risk parameters are used in the advanced IRB approach: LGD, which essentially determines the risk weight together with the PD, and the Credit Conversion Factor ("**CCF**"), which is needed to determine the IRBA exposure (Exposure at Default, "**EAD**").

The LGD describes the proportion of the exposure that is unrecoverable in the event of default. It represents a measure of the severity of a possible loss. The basis for determining the loss ratio is a concept that determines the estimated loss given default based on internally estimated factors, taking into account the situation of the individual case. Crucial for the determination of the loss ratio are the forecasted proceeds from collateral and the expected returns from unsecured loan components. The determination of the proceeds depends on the properties of the security and the properties of the customer.

In addition, a recovery rate is modeled that gives an estimate of the likelihood that a defaulted customer can be re-classified as not defaulted over time without a loss.

Conceptually, estimates of loss ratios in the event of default are carried out independently of the estimate of the customer's probability of default. The concept of LGD models ensures here that the main causes of losses in specific LGD factors are taken into account.

OLB uses specific conversion factors to calculate the IRBA exposures. Conceptually, the IRBA exposure is defined as the expected volume of credit exposure to a counterparty at the time of its potential default. In this case, open lines or guarantees are counted as a percentage via conversion factors. This reflects the assumption that in the case of loan commitments, the amount borrowed at the time of default may be higher than the amount currently drawn. In addition, if a transaction includes a contingent component, such as a guarantee that OLB has assumed for a customer, another percentage (utilization factor) is applied, which is part of the CCF model, in order to estimate the volume of guarantees actually used.

OLB's LGD and CCF models for the "Corporate" exposure class and the retail business exposure classes are based on statistical analysis of empirical Bank-internal loss data and are reviewed at least annually. Both internal and regulatory requirements have been implemented in the development of these models.

For the "Institutions" exposure class, the estimates are based on external historical data as well as on expert knowledge from the relevant specialist departments of the institution.

Control mechanisms for rating systems, description of independence and responsibilities and review of those systems

Organization

As part of OLB's risk management and controlling system, the Risk Controlling department, as an independent counterparty risk monitoring unit according to CRR, is responsible for the processes and policies for assigning IRBA positions to rating classes. It is also responsible for the supervision, monitoring and documentation of the models used for the assignment of debtors to rating classes. As part of the reporting to the management, Risk Controlling prepares analyses and reports on the rating systems used at OLB. Risk Controlling is also responsible for the further development, documentation and regular validation of the rating methods as well as for the estimation and validation of the risk parameters. For the rating systems in relation to banks and to commercial real estate, the activity of the development as well as the statistical backtesting in the course of the validation of the rating procedure within the meaning of section 190 CRR is outsourced.

Extensions as well as material and significant changes to the risk rating and estimation processes are approved by the Risk Methods and Procedures Committee (RMPC) or submitted to the Risk Committee for further decision. The periodic validation results on rating procedures and parameter estimates are also presented to the RMPC and explained. Committee resolutions are submitted to the Risk Committee and to the full Board of Managing Directors for information.

Validation

The internally estimated risk parameters PD, LGD and CCF used for the IRBA rating systems are reviewed for their quality during validation. The validation consists of a qualitative and a quantitative analysis, based on internal data and carried out on a regular basis. Within the qualitative validation, the data quality is examined and evaluated. In addition, an assessment is made as to whether the models are being deployed by the users as intended, the policies and procedures are being complied with, and the internal risk assessments and default and loss estimates are an integral part of the risk management and decision-making process, as well as of credit approval, internal capital allocation and corporate governance of the institution ("Use Test"). The quantitative analysis consists of backtesting that statistically analyzes the quality and selectivity of the procedures. If the validation shows deviations between estimated and actual results, the settings of the systems are adapted to the new findings.

As the sole exception, the quantitative validation of OLB's rating and the rating for commercial real estate is based not on internal information, but on the data of the banks involved in the pool procedure. It is carried out by an external service provider.

TAXATION

The following is a general discussion of certain tax consequences under the tax laws of the Federal Republic of Germany of the acquisition, ownership and disposal of the Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of the Federal Republic of Germany currently in force and as applied on the date of this Offering Memorandum, which are subject to change, possibly with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES UNDER THE TAX LAWS APPLICABLE IN THE FEDERAL REPUBLIC OF GERMANY AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.

Federal Republic of Germany ("Germany")

Income Taxation - Tax Residents

Persons (individuals and corporate entities) who are tax resident in Germany (in particular, persons having a residence, habitual abode, seat or place of management in Germany) are subject to income taxation (income tax or corporate income tax, as the case may be, plus solidarity surcharge thereon plus church tax and/or trade tax, if applicable) on their worldwide income, regardless of its source, including interest from debt of any kind (such as the Notes) and, in general, capital gains.

- Taxation if the Notes are held as private assets (Privatvermögen)

In the case of German tax-resident individual investors (*unbeschränkt Steuerpflichtige*) holding the Notes as private assets (*Privatvermögen*), the following applies:

-- Income

The Notes qualify as other capital receivables (*sonstige Kapitalforderungen*) in terms of section 20 para 1 no 7 German Income Tax Act ("**ITA**" – *Einkommensteuergesetz*).

Accordingly, payments of interest on the Notes should qualify as taxable savings income (*Einkünfte aus Kapitalvermögen*) pursuant to section 20 para 1 no 7 ITA.

Capital gains / capital losses realised upon sale of the Notes, computed as the difference between the acquisition costs and the sales proceeds reduced by expenses directly and factually related to the sale, qualify as positive or negative savings income in terms of section 20 para 2 sentence 1 no 7 ITA. If similar Notes kept or administered in the same custodial account have been acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purposes of determining the capital gains. Where the Notes are acquired and/or sold in a currency other than Euro, the acquisition costs will be converted into Euro at the time of acquisition, the sales proceeds will be converted into Euro at the time of sale and the difference will then be computed in Euro. If interest claims are disposed of separately (i.e. without the Notes), the proceeds from the sale are subject to taxation. The same applies to proceeds from the payment of interest claims if the Notes have been disposed of separately. If the Notes are assigned, redeemed, repaid or contributed into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*) rather than sold, as a rule, such transaction is treated like a sale. Losses from the sale of Notes can only be offset against other savings income and, if there is not sufficient other positive savings income, carried forward to subsequent assessment periods. However, if the losses result from the full or partial non-recoverability of the repayment claim under the Notes including a default of the Issuer or a (voluntary) waiver, such losses together with other losses of such kind of the same year and loss-carry forwards of previous years can only be offset up to an amount of EUR 20,000 ("**Limitation on Loss Deduction**"). Any exceeding loss amount can be carried forward and offset against future savings income, but again subject to the EUR 20,000 limitation. Given that the Limitation on Loss Deduction will not be applied by the German Disbursing Agent (as defined below) holding the Notes in custody, investors suffering losses which are subject to the Limitation on Loss Deduction are required to declare such losses in their income tax return.

Pursuant to a tax decree issued by the Federal Ministry of Finance dated 18 January 2016, as amended from time to time, neither a bad debt loss (*Forderungsausfall*), i.e. should the Issuer become insolvent, nor a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden contribution, shall be treated like a sale. Accordingly, losses suffered upon such bad debt loss or waiver shall not be tax-deductible. In contrast to the view of the German tax authorities, the German Federal Fiscal Court decided in 2017 and confirmed this in a more recent decision (published on 17 June 2021) that a final bad debt loss with respect to a capital claim shall be deductible for tax purposes. On 6 August 2019, the German Federal Fiscal Court further ruled that also a waiver of a receivable (*Forderungsverzicht*) (to the extent the waiver does not qualify as a contribution) shall be treated like a sale and, therefore, might lead to a taxable loss if the taxpayer had acquisition costs for the respective part of the receivable. However, the Federal Ministry of Finance has not yet updated the aforementioned tax decree in this respect.

While the German tax authorities previously took the position that a disposal (and, as a consequence, a tax loss resulting from such disposal) shall not be recognised if notes are sold at a market price which is lower than the transaction costs or if the level of transaction costs is restricted because of a mutual agreement that the transaction costs are calculated by subtracting a certain amount from the sales price, the German tax authorities have concluded in an amendment to the abovementioned tax decree published on 10 May 2019 that the recognition of a sale as a disposal shall not depend on the amount of any consideration or the amount of the transaction costs.

Similarly, while the German tax authorities previously took the position that capital losses shall not be recognised by the German tax authorities if no (or only *de minimis*) payments are made to the individual noteholders on the maturity or redemption date of the respective notes, the German Federal Fiscal Court has published a decision to the contrary with regard to losses incurred in connection with knock-out certificates. In this decision the German Federal Fiscal Court took the view that exceeding the knock-out threshold (i.e. no payments on the day of exceeding the knock-out threshold) shall be treated similar to a bad debt loss as a sale at the value of zero, so that losses suffered shall also be deductible for tax purposes. According to an amendment to the abovementioned tax decree published on 16 September 2019, the German Federal Ministry of Finance now also applies the principles of the ruling of the German Federal Fiscal Court.

-- *German withholding tax (Kapitalertragsteuer)*

With regard to savings earnings (*Kapitalerträge*), e.g. interest or capital gains, German withholding tax (*Kapitalertragsteuer*) will be levied if the Notes are kept or administered in a custodial account which the investor maintains with a German branch of a German or non-German credit or financial services institution or with a German securities trading business or a German securities trading bank (a "**German Disbursing Agent**", *auszahlende Stelle*) and such German Disbursing Agent credits or pays out the earnings.

The tax base is, in principle, equal to the taxable gross income as set out above (i.e. prior to withholding). However, in the case of capital gains, if the custodial account has changed since the time of acquisition of the Notes (e.g. if the Notes had been transferred from a non-EU custodial account prior to the sale) and the acquisition costs of the Notes are not proven to the German Disbursing Agent in the form required by law, withholding tax is applied to 30 per cent. of the proceeds from the redemption or sale of the Notes. When computing the tax base for withholding tax purposes, the German Disbursing Agent has to deduct any negative savings income (*negative Kapitalerträge*) and paid accrued interest (*Stückzinsen*) in the same calendar year as well as certain unused negative savings income of previous calendar years.

German withholding tax will be levied by a German Disbursing Agent at a flat withholding tax rate of 26.375 per cent. (including solidarity surcharge) plus, if applicable, church tax. Church tax, if applicable, will be collected by the German Disbursing Agent by way of withholding unless the investor has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*). In the latter case, the investor has to include the savings income in the tax return and will then be assessed to church tax.

No German withholding tax will be levied if the investor has filed a withholding tax exemption certificate (*Freistellungsauftrag*) with the German Disbursing Agent, but only to the extent the savings income does not exceed the exemption amount shown on the withholding tax exemption certificate. Currently, the maximum exemption amount is EUR 801 (EUR 1,602 in the case of jointly assessed spouses or registered life partners). Similarly, no withholding tax will be levied if the investor has submitted a certificate of non-

assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office to the German Disbursing Agent.

The Issuer is, as a rule, not obliged to levy German withholding tax in respect of payments on the Notes.

-- *Tax assessment*

The taxation of savings income shall take place mainly by way of levying withholding tax (please see above). If and to the extent German withholding tax has been levied, such withholding tax shall, in principle, become definitive and replace the investor's income taxation. If no withholding tax has been levied other than by virtue of a withholding tax exemption certificate (*Freistellungsauftrag*) and in certain other cases, the investor is nevertheless obliged to file a tax return, and the savings income will then be taxed within the assessment procedure. If the investor is subject to church tax and has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*), the investor is also obliged to include the savings income in the tax return for church tax purposes.

However, also in the assessment procedure, savings income is principally taxed at a separate tax rate for savings income (*gesonderter Steuertarif für Einkünfte aus Kapitalvermögen*) being identical to the withholding tax rate (26.375 per cent. - including solidarity surcharge (*Solidaritätszuschlag*) plus, if applicable, church tax). In certain cases, the investor may apply to be assessed on the basis of its personal tax rate if such rate is lower than the above tax rate. Such application can only be filed consistently for all savings income within the assessment period. In case of jointly assessed spouses or registered life partners the application can only be filed for savings income of both spouses / life partners.

When computing the savings income, the saver's lump sum amount (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 in the case of jointly assessed spouses or registered life partners) will be deducted. The deduction of the actual income related expenses, if any, is excluded. That holds true even if the investor applies to be assessed on the basis of its personal tax rate.

- *Taxation if the Notes are held as business assets (Betriebsvermögen)*

In the case of German tax-resident corporations or individual investors (*unbeschränkt Steuerpflichtige*) holding the Notes as business assets (*Betriebsvermögen*), interest payments and capital gains will be subject to corporate income tax at a rate of 15 per cent. or income tax at a rate of up to 45 per cent., as the case may be, (in each case plus 5.5 per cent. solidarity surcharge thereon). In addition, trade tax may be levied, the rate of which depends on the municipality where the business is located. Further, in the case of individuals, church tax may be levied. Business expenses that are connected with the Notes are deductible.

The provisions regarding German withholding tax (*Kapitalertragsteuer*) apply, in principle, as set out above for private investors. However, investors holding the Notes as business assets cannot file a withholding tax exemption certificate with the German Disbursing Agent. Instead, no withholding tax will be levied on capital gains from the redemption, sale or assignment of the Notes if, for example, (a) the Notes are held by a corporation or (b) the proceeds from the Notes qualify as income of a domestic business and the investor notifies this to the German Disbursing Agent by use of the officially required form.

Any withholding tax levied is credited as prepayment against the German (corporate) income tax amount. If the tax withheld exceeds the respective (corporate) income tax amount, the difference will be refunded within the tax assessment procedure.

- *Potential change in law*

Please note that – pursuant to the coalition agreement of CDU, CSU and SPD – it was envisaged to abolish the flat tax regime for certain investment income, which might also affect the taxation of income from the Notes. For example, interest income might become taxed at the progressive tax rate of up to 45 per cent. (excluding solidarity surcharge). However, it seems rather unlikely that this will happen prior to the upcoming election on 26 September 2021. It cannot be predicted what happens after the election.

- *Amendment of the Solidarity Surcharge Act*

Due to the amendment of the Solidarity Surcharge Act, the solidarity surcharge will be levied for wage tax and income tax purposes from 2021 onwards if the individual income tax of the investor exceeds the threshold of EUR 16,956 (EUR 33,912 for jointly assessed spouses or registered life partners). Pursuant to

the amended law the solidarity surcharge shall remain in place for purposes of the withholding tax, the flat tax regime and the corporate income tax.

Income Taxation - Non-residents

Persons who are not tax resident in Germany are not subject to tax with regard to income from the Notes unless (i) the Notes are held as business assets (*Betriebsvermögen*) of a German permanent establishment (including a permanent representative) which is maintained by the investor or (ii) the income from the Notes qualifies for other reasons as taxable German source income. If a non-resident person is subject to tax with its income from the Notes, in principle, similar rules apply as set out above with regard to German tax resident persons (please see above).

If the income is subject to German tax as set out in the preceding paragraph, German withholding tax will be applied like in the case of a German tax resident person.

Inheritance and Gift Tax

Inheritance or gift taxes with respect to any Note will, in principle, arise under German law if, in the case of inheritance tax, either the decedent or the beneficiary or, in the case of gift tax, either the donor or the donee is a resident of Germany or if such Note is attributable to a German trade or business for which a permanent establishment is maintained or a permanent representative has been appointed.

The few existing double taxation treaties regarding inheritance and gift tax may lead to different results. Special rules apply to certain German citizens that are living in a foreign country and German expatriates.

Other Taxes

No stamp, issue, registration or similar taxes or duties are payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany. It is intended to introduce a financial transaction tax (FTT). However, it is unclear if and in what form such tax will be actually introduced (please see below).

SUBSCRIPTION AND SALE OF THE NOTES

General

Pursuant to the subscription agreement entered into on 20 July 2021 (the "**Subscription Agreement**"), the Sole Bookrunner has agreed, subject to certain conditions, to subscribe, or to procure subscriptions, for the Notes. The Issuer has agreed to pay the Sole Bookrunner a combined management and underwriting fee as agreed between the parties to the Subscription Agreement.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters.

The Subscription Agreement entitles the Sole Bookrunner to terminate its obligations thereunder in certain circumstances prior to payment of the purchase price of the Notes.

The Sole Bookrunner and its respective affiliates may be customers of, borrowers from or creditors of OLB AG and its affiliates. In addition, the Sole Bookrunner and its respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, OLB AG and its affiliates in the ordinary course of business. In particular, in the ordinary course of their business activities, the Sole Bookrunner and its respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for its own account and for the accounts of its customers. Such investments and securities activities may involve securities and/or instruments of OLB AG or its affiliates. Sole Bookrunner and its respective affiliates that have a lending relationship with OLB AG routinely hedge their credit exposure to OLB AG consistent with their customary risk management policies. Typically, Sole Bookrunner and its respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued. Any such positions could adversely affect future trading prices of the Notes. The Sole Bookrunner and its respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

No public offering

No action has been or will be taken in any country or jurisdiction by the Issuer or the Sole Bookrunner that would permit a public offering of the Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons who have access to this Offering Memorandum are required by the Issuer and the Sole Bookrunner to comply with all applicable laws and regulations in each country or jurisdictions in or from which they purchase, offer, sell or deliver the Notes or have in their possession or distribution such offering material, in all cases at their own expense.

Selling Restrictions

Prohibition of Sales to EEA retail Investors

The Sole Bookrunner has represented and agreed that it has not offered, sold, or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail client in the EEA.

For the purposes of this provision: the expression "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 the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4 (1) of MiFID II.

United States of America and its Territories

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or its possessions or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act ("**Regulation S**") 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.

The Sole Bookrunner has represented and agreed that, except in accordance with Rule 903 of Regulation S, it will not offer or sell the Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time, or (ii) otherwise until 40 days after the later of the commencement of the offering or the closing date, and it will have sent to the Sole Bookrunner to which it sells Notes during the 40-day restricted period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes may not be purchased by or transferred to any employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended, any plan or arrangement subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, or any entity whose underlying assets include the assets of any such employee benefit plans, plans or arrangements.

United Kingdom of Great Britain and Northern Ireland

1. Prohibition of Sales to UK Retail Investors

The Sole Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum in relation thereto to any retail investor in the UK. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

2. Other regulatory restrictions

The Sole Bookrunner has represented, warranted 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 any Notes which are the subject of the offering contemplated by this Offering Memorandum in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Switzerland

This Offering Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Offering Memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Offering Memorandum or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the "**Prospectus Regulation**") and any applicable provision of Italian laws and regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

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

- (i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Legislative Decree No. 58 of 24 February 1998, as amended (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
- (ii) 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.

Hong Kong

The Sole Bookrunner has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) 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 (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**Companies Ordinance**") or which do not constitute an offer to the public within the meaning of the Companies Ordinance; 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, any advertisement, invitation or document relating to the Notes, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are or are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Singapore

The Sole Bookrunner has represented and agreed that this Offering Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"). Accordingly, the Sole Bookrunner represents, warrants and agrees that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or

(iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

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

securities or securities-based derivatives contracts (each term as defined in 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 Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

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

Israel

The Notes may not be offered or sold to any person resident in Israel or entity organized or formed in Israel, unless it is an "institutional investor", as set forth in Section 15A(b)(1) of the Israeli Securities Law and has provided the requisite certification under the First Addendum of the Israeli Securities Law or has been individually approved by the Israel Securities Authority as an "institutional investor", as set forth in Section 15A(b)(2) of the Israeli Securities Law (a "**Qualified Israeli Investor**").

GENERAL INFORMATION

Clearing and Settlement

Payments and transfers of the Notes will be settled through Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65765 Eschborn, Germany.

The Notes have the following securities codes:

ISIN: DE000A11QJL6

Common Code: 236815498

German Securities Code (WKN): A11QJL

Issuer Rating

On 2 October 2019, the Issuer has received a "Baa2" by Moody's²¹.

Moody's is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**")²².

Investors in the Notes should be aware that 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.

Rating of the Notes

The Notes are expected to be rated "Ba3" by Moody's²³.

Investors in the Notes should be aware that 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.

Authorization

The creation and issue of the Notes has been authorized by a resolution of the general meeting of the Issuer dated 30 September 2019.

The creation and issue of the Notes has been authorized by a resolution of the board of management of the Issuer dated 12 July 2021.

The creation and issue of the Notes has been authorized by a resolution of the supervisory board of the Issuer dated 13 July 2021.

²¹ Moody's defines "Baa" as follows: Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's notes that Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms.

²² The European Securities and Markets Authority publishes on its website (<https://www.esma.europa.eu/supervision/creditrating-agencies/risk>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

²³ Moody's defines "Ba" as follows: Obligations rated Ba are judged to be speculative and are subject to substantial credit risk. Moody's notes that Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms.

Documents on Display

For the term of this Offering Memorandum, electronic copies of the following documents will be available free of charge at <https://www.olb.de/olb>:

- (a) the up to date articles of association (*Satzung*) of the Issuer;
- (b) the documents incorporated herein by reference.

This Offering Memorandum, any supplement hereto as well as the documents incorporated by reference in this Offering Memorandum are available at <https://www.olb.de/olb>.

DOCUMENTS INCORPORATED BY REFERENCE

The following information has been incorporated by reference in, and forms part of, this Offering Memorandum:

1. OLB AG Financial Report 2020

- Balance Sheet..... p. 74 - 75
- Income Statement..... p. 76
- Statement of Changes in Equity p. 77
- Cash Flow Statement p. 78
- Notes to the Financial Statements p. 79 - 119
- Independent Auditors' Report²⁴ p. 122

2. OLB AG Financial Report 2019

- Balance Sheet..... p. 66 - 67
- Income Statement..... p. 68
- Statement of Changes in Equity p. 69
- Cash Flow Statement p. 70
- Notes to the Financial Statements p. 71 - 115
- Independent Auditors' Report²⁵ p. 115

Any information not incorporated by reference into this Offering Memorandum but contained in one of the documents mentioned as source documents in the cross-reference list above is either not relevant for the investor or covered in another part of this Offering Memorandum.

As long as applicable laws so require electronic versions of the documents incorporated by reference are available on the website of the Issuer at <https://www.olb.de/olb>.

²⁴ The auditors' report has been issued in German language on the German language version of the respective annual financial statements and the respective management report. The management report is neither included nor incorporated by reference in this Offering Memorandum.

²⁵ The auditors' report has been issued in German language on the German language version of the respective annual financial statements and the respective management report. The management report is neither included nor incorporated by reference in this Offering Memorandum.

APPENDIX

DEFINITION OF ALTERNATIVE PERFORMANCE MEASURES

Definition of terms for the income statement presentation and balance sheet items in the management report (disclosures in accordance with the guidelines of the European Securities and Markets Authority (ESMA) for Alternative Performance Measures (APM)).

Under ESMA Guideline "05/10/2015| ESMA//2015/1415de," financial performance indicators that are not defined or specified in the framework reporting concept to be applied must be explained. In its presentation of the income statement in the financial statements and for selected balance sheet items, OLB AG is bound to the format provided under the German Accounting Regulation for Banks and Financial Services Institutions (RechKredV). Management reporting includes additional reporting figures, performance indicators and partial results to enhance the transparency and comprehensibility of the reporting. These are generally derived as follows from the items in the income statement form under the RechKredV:

"Net interest income" (per Items 1 – 2 + 3 + 4 of the RechKredV) + Supplement 4a.

1. Interest income from
 - a) Lending and money market transactions
 - b) Bonds and other fixed-income securities
2. Interest expenses
3. Current income from
 - a) Shares and other non-fixed-income securities
 - b) Investment securities
 - c) Shares in affiliated companies
4. Income from profit pooling, profit transfer or partial profit transfer agreements
- 4a. Profit earned for the account of others from the transferring legal entity

"Net commission income" (per Items 5 – 6 of the RechKredV income statement)

5. Commission income
6. Commission expense

"Net trading (+) income / (-) expense" (per Item 7 of the RechKredV income statement)

7. Net trading (+) income / (-) expense

"Operating income" (subtotal)

"Net interest income" + "Net commission income" + "Net trading (-) income / (+) expense"

"Personnel expenses" (per Item 10.a of the RechKredV income statement)

10. General administrative expenses
 - a) Personnel expenses

"Other administrative expenses" (per Item 10.b of the RechKredV income statement)

10. General administrative expenses
 - b) Other administrative expenses

"Depreciation, amortization and impairment of intangible and tangible fixed assets" (per Item 11 of the RechKredV income statement)

11. Depreciation, amortization and impairment of intangible and tangible fixed assets

"Operating expenses" (sub-total)

"Personnel expenses" + "Other administrative expenses" + "Depreciation, amortization and impairment of intangible and tangible fixed assets"

"Net other operating income (+) and expenses (-)" (per Items 8 – 12 of the RechKredV income statement)

8. Other operating income

12. Other operating expenses

"Operating result before risk provisions" (sub-total)

"Operating income" – "Operating expenses" + "Net other operating income (+) and expenses (-)"

"Risk provisions for lending business" (per Items 13 – 14 of the RechKredV income statement, of which pertaining to the lending business, without netting per Sec. 340f HGB)

13. Write-offs and impairments of loans and certain securities and additions to loan loss provisions

14. Income from reversal of impairments of loans and certain securities and release of loan loss provisions

"Gain (+) / loss (-) on securities in the liquidity reserve" (per Items 13 – 14 of the RechKredV income statement, of which pertaining to the liquidity reserve, without netting per Sec. 340f HGB)

13. Write-offs and impairments of loans and certain securities and additions to loan loss provisions

14. Income from reversal of impairments of loans and certain securities and release of loan loss provisions

"Income (+) / Expenses (-) from the lending business and liquidity reserve" (subtotal)

"Risk provisions for lending business" – "Gain (+) / loss (-) on securities in the liquidity reserve"

"Net operating result" (subtotal)

"Operating result before risk provisions" – "Expenses from the lending business and liquidity reserve"

"Other result" (per Items 16 – 15 + 25 – 17 – 26 of the RechKredV income statement)

15. Write-offs of and impairments to investment securities, shares in affiliated companies and securities treated as fixed assets

16. Income from reversals of write-offs and impairment to investment securities, shares in affiliated companies and securities treated as fixed assets

17. Expenses for assumption of losses

25. Income from assumption of losses

26. Profits transferred under profit pooling or a profit transfer

"Extraordinary result" (per Item 22 of the RechKredV income statement)

22. Extraordinary result

"Profit before taxes" (subtotal)

"Net operating result" + "Other result" + "Extraordinary result"

"Taxes" (per Items 23 + 24 of the RechKredV income statement)

23. Income tax expense

24. Other taxes not included under Item 12

"Net profit for the fiscal year" (per Item 27 of the RechKredV income statement)

27. Net profit / net loss for the fiscal year

"Customer loan book" (per Item 4 of the RechKredV assets)

4. Receivables from customers

"Securities" = "Investment portfolio" (per Items 5 + 6+ 6a. of the RechKredV assets)

5. Bonds and other fixed-income securities

6. Shares and other non-fixed-income securities

6a. Trading portfolio assets

"Deposits and borrowed funds" (per Items 1 + 2+ 3+ 9 of the RechKredV liabilities)

1. Liabilities to banks

2. Liabilities to customers

3. Securitized liabilities

9. Subordinated debt

"Cost-income ratio" or **"CIR"** (ratio, stated as a percentage)

"Operating expenses" / "Operating income"

"Earnings per share" (ratio, stated in euros)

"Net income for the fiscal year" / (23,257,143 no-par shares – average holdings of own shares)

"Return on equity post tax" (ratio, stated as a percentage)

"Net profit for the fiscal year" / average equity per Item 12 "Equity & Liabilities" of the RechKredV liabilities

"NPL ratio" (ratio of parts of Item 4 of the RechKredV assets, stated as a percentage)

Receivables from customers (non-performing) / Gross receivables from customers (before loan loss provisions)

"NPL Coverage Ratio" or **"Coverage ratio, taking into account collateral and deferred interest"** (ratio, stated as a percentage)

[Specific loan loss provisions (SLLP) + portfolio loan loss provisions assigned to non-performing receivables + collateral assigned to non-performing receivables + deferred interest (for non-performing receivables)] / [Receivables from customers (non-performing)]

Issuer

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Germany

Sole Bookrunner

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Paying Agent and Calculation Agent

Oldenburgische Landesbank Aktiengesellschaft

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