



Achmea B.V.

(incorporated with limited liability in the Netherlands with its statutory seat in Zeist)

€5,000,000,000

Programme for the Issuance of Debt Instruments

Under the Programme described in this Base Prospectus (the “Programme”), Achmea B.V. (the “Issuer”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the “Notes”) and capital securities (the “Capital Securities” and, together with the Notes, the “Instruments”). The Notes may be issued as subordinated notes (the “Subordinated Notes”) or senior notes (the “Senior Notes”). The aggregate nominal amount of Instruments outstanding will not at any time exceed €5,000,000,000 (or the equivalent in other currencies).

Application has been made to the Irish Stock Exchange for the Instruments issued under the Programme to be admitted to the Official List and trading on its regulated market. References in this Base Prospectus to Instruments being “listed” (and all related references) shall mean that such Instruments have been listed and admitted to trading on the regulated market of the Irish Stock Exchange (or any other stock exchange). The regulated market of the Irish Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. However, unlisted Instruments may be issued as well pursuant to the Programme. The relevant Final Terms in respect of the issue of any Instruments will specify whether or not such Instruments will be listed and admitted to trading on the regulated market of the Irish Stock Exchange (or any other stock exchange). This Base Prospectus has been approved by the Central Bank of Ireland, as competent authority under Directive 2003/71/EC, as amended and implemented (the “Prospectus Directive”). The Central Bank of Ireland only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Instruments which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

Notes may be issued in bearer form and in registered form. Capital Securities may be issued in bearer form only. Each Series (as defined in “Overview of the Programme – Method of Issue”) of Notes and Capital Securities in bearer form will be represented on issue by a temporary global note in bearer form (each a “temporary Global Note”) and a temporary global security (each a “temporary Global Security”) respectively or a permanent global note in bearer form (each a “permanent Global Note”) and a permanent global security (each a “permanent Global Security”). If the temporary Global Notes, the permanent Global Notes, the temporary Global Securities and the permanent Global Securities (the “Global Instruments”) are stated in the applicable Final Terms to be issued in new global note (“NGN”) form, the Global Instruments will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the “Common Safekeeper”) for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking, S.A. (“Clearstream, Luxembourg”). Notes in registered form will be represented by registered certificates (each a “Certificate”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Registered Notes issued in global form will be represented by registered global certificates (“Global Certificates”). If a Global Certificate is held under the New Safekeeping Structure (the “NSS”) the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

Global Instruments which are not issued in NGN form (“Classic Global Notes” or “CGNs”) and Global Certificates which are not held under the NSS will be deposited on the issue date of the relevant Tranche with a common depositary on behalf of Euroclear and Clearstream, Luxembourg (the “Common Depositary”) or (ii) in the case of Capital Securities only, Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (“Euroclear Nederland”).

The provisions governing the exchange of interests in Global Instruments for other Global Instruments and definitive Instruments are described in “Summary of Provisions Relating to the Instruments while in Global Form”.

Tranches of Instruments (as defined in “Overview of the Programme – Method of Issue”) to be issued under the Programme will be rated or unrated. Where a Tranche of Instruments is to be rated, such rating will not necessarily be the same as the ratings assigned to the Instruments already issued. Whether or not a rating in relation to any Tranche of Instruments will be treated as having been issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 on credit rating agencies (the “CRA Regulation”) as amended will be disclosed in the relevant Final Terms.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Base Prospectus.

This Base Prospectus is dated 14 July 2017 and supersedes the prospectus dated 15 September 2014.

Dealer
NatWest Markets

Arranger for the Programme
NatWest Markets

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with regard to the Issuer, the Issuer and its subsidiaries and affiliates taken as a whole (the “Group”) and the Instruments which, according to the particular nature of the Issuer and the Instruments, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Instruments in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Instruments. Accordingly any person making or intending to make an offer in that Relevant Member State of Instruments which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Instruments may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Instruments in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference”).

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Instruments and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (as defined in “Overview of the Programme”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In the case of any Instruments which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the

minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Instruments).

IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Instruments includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Instruments are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The distribution of this Base Prospectus and the offering or sale of the Instruments in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Instruments have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act") and include Instruments in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Instruments may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain restrictions on offers and sales of Instruments and on distribution of this Base Prospectus, see "Subscription and Sale".

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Instrument.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Instruments. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Instruments. Each potential purchaser of Instruments should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Instruments should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Instruments of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche (as defined in "Overview of the Programme – Method of Issue"), the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "Stabilisation Manager(s)") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Instruments or effect transactions with a view to supporting the market price of the Instrument at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public

disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

The Bank of New York Mellon SA/NV, Dublin Branch is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Notes to the Official List of the Irish Stock Exchange and trading on its regulated market (the Main Securities Market).

ABN AMRO Bank N.V. has been engaged by the Issuer as Fiscal Agent, Principal Paying Agent, Registrar, Transfer Agent and Calculation Agent for the Notes, upon the terms and subject to the conditions set out in the Agency Agreement (as defined below), for the purpose of paying sums due on the Notes and of performing all other obligations and duties imposed on it by the Conditions and the Agency Agreement. ABN AMRO Bank N.V. in such capacity is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Notes. Neither ABN AMRO Bank N.V. nor any of its directors, officers, agents or employees makes any representation or warranty, express or implied, or accepts any responsibility, as to the accuracy, completeness or fairness of the information or opinions described or incorporated by reference in this Base Prospectus, in any investor report or for any other statements made or purported to be made either by itself or on its behalf in connection with the Issuer or the offering of the Notes. Accordingly, ABN AMRO Bank N.V. disclaims all and any liability, whether arising in tort or contract or otherwise, in respect of this Prospectus and or any such other statements.

All references in this Base Prospectus to “euro”, “EUR” and “€” refer to the lawful currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community as amended by the Treaty on European Union, those to “U.S. dollars”, “dollar”, “U.S.\$”, “\$” and “USD” refer to the lawful currency of the United States of America and those to “Sterling”, “£” and “GBP” are to the lawful currency of the United Kingdom.

Switzerland: The Instruments being offered pursuant to this Base Prospectus do not represent units in collective investment schemes within the meaning of the Swiss Collective Investment Schemes Act of 23 June 2006 (the “CISA”). Accordingly, they have not been registered with the Swiss Financial Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and, are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the CISA.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the audited consolidated annual financial statements of the Issuer for the financial years ended, 31 December 2015 and 31 December 2016 together in each case with the auditor's report thereon, and the terms and conditions set out on pages 34 to 64 of the base prospectus dated 15 September 2014 under the heading "Terms and Conditions of the Notes", which have been previously published or are published simultaneously with this Base Prospectus and which have been filed with the Irish Stock Exchange and with the Central Bank of Ireland in compliance with Article 11 of the Prospectus Directive. Such documents shall be incorporated in and form part of this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus may be obtained without charge from the registered office of the Issuer and www.achmea.com and through the following hyperlinks:

<https://www.achmea.nl/SiteCollectionDocuments/Achmea-jaarverslag-2015-ENG.pdf>

<https://www.achmea.nl/SiteCollectionDocuments/Achmea-AR2016-ENG.pdf>

<https://www.achmea.nl/en/investors/debt-information/Paginas/default.aspx>

SUPPLEMENTARY PROSPECTUS

If at any time the Issuer shall be required to prepare a supplementary prospectus pursuant to the Prospectus Directive and implementing legislation, the Issuer will prepare and make available an appropriate amendment or supplement to this Base Prospectus or a further prospectus which, in respect of any subsequent issue of Instruments to be listed and admitted to trading on the regulated market of the Irish Stock Exchange, shall constitute a supplementary prospectus as required by the Prospectus Directive and implementing legislation.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Instruments and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Instruments, the Issuer shall prepare an amendment or supplement to this Base Prospectus for use in connection with any subsequent offering of the Instruments and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

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RISK FACTORS

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

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Instruments issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Instruments issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Instruments may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Instruments are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Factors that may affect the Issuer's ability to fulfil its obligations under Instruments issued under the Programme

Because the Issuer is an integrated financial services company conducting business on a worldwide basis, the revenues and earnings of the Issuer are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which the Issuer conducts business and changes in such factors may adversely affect the profitability of its insurance, banking and asset management business.

Factors such as interest rates, exchange rates, consumer spending, business investment, government spending, the volatility and strength of the capital markets, and terrorism all impact the business and economic environment and, ultimately, the amount and profitability of business the Issuer conducts in a specific geographic region. For example, in an economic downturn characterised by higher unemployment, lower family income, lower corporate earnings, lower business investment and consumer spending, the demand for banking and insurance products would be adversely affected and the Issuer's reserves and provisions would likely increase, resulting in lower earnings. Similarly, a downturn in the equity markets could cause a reduction in commission income the Issuer earns from managing portfolios for third parties, as well as income generated from its own proprietary portfolios, each of which is generally tied to the performance and value of such portfolios. The Issuer also offers a number of insurance and financial products that expose the Issuer to risks associated with fluctuations in interest rates, securities prices or the value of real estate assets. In addition, a mismatch of interest-earning assets and interest-bearing liabilities in any given period may, in the event of changes in interest rates, have a material effect on the financial condition or result from operations of the businesses of the Issuer.

In addition, despite recent improvements in the financial position of many European countries, the peripheral European financial system continues to be weak and could deteriorate further and there remains a risk that financial difficulties may result in certain European countries exiting the Eurozone. Similarly, on 23 June 2016 the United Kingdom, in a referendum, voted to leave the European Union. At this stage both the terms and the exact timing of the United Kingdom's exit from the European Union are unclear and the nature of the relationship of the United Kingdom with the remaining members of the European Union has yet to be discussed and negotiations with the European Union on the terms of the exit have yet to commence. This

uncertainty could result in increased volatility in the currency markets and could have a material and adverse impact on the Dutch and other European economies.

On 15 July 2016, the Turkish government was subject to an attempted coup by a group within the Turkish army. The Turkish government and the Turkish security forces (including the Turkish army) took control of the situation in a short period of time and the ruling government remained in control. On 16 April 2017, a constitutional referendum was held throughout Turkey and a new draft of the constitution that increases the power of Turkish president Erdogan was approved by the Turkish voters. Although the Issuer's operations in Turkey have not been materially affected by the coup and/or the referendum, the impact on political and social circumstances following the attempted coup and the referendum and the aftermath thereof, including developments in the political relationship between Turkey and the Netherlands, could result in increased volatility in the currency market and/or could have a material effect on the financial condition or result from operations of the business of the Issuer in Turkey.

Because life, non-life, health insurance and reinsurance businesses of the Issuer are subject to losses from unforeseeable and/or catastrophic events, which are inherently unpredictable, the actual claims amount of the Issuer may exceed the established reserves or the Issuer may experience an abrupt interruption of activities, each of which could result in lower net profits and have an adverse effect on its results of operations.

In its life, non-life and health insurance and reinsurance businesses, the Issuer is subject to losses from natural and man-made catastrophic events. Such events include, without limitation, weather and other natural catastrophes such as wind and hailstorms, floods, earthquakes and pandemic events, as well as events such as terrorist attacks. The frequency and severity of such events, and the losses associated with them, are inherently unpredictable and cannot always be adequately reserved for. In accordance with industry practices, reserves are established based on estimates using actuarial projection techniques. The process of estimating is based on information available at the time the reserves are originally established. Although the Issuer continually reviews the adequacy of the established claim reserves, and based on current information, the Issuer believes its claim reserves are sufficient, there can be no assurances that its actual claims experience will not exceed its estimated claim reserves. If actual claim amounts exceed the estimated claim reserves, its earnings may be reduced and its net profits may be adversely affected. In addition, because unforeseeable and/or catastrophic events can lead to abrupt interruption of activities, its insurance and other operations may be subject to losses resulting from such disruptions. Losses can relate to property, financial assets, trading positions and also to key personnel. If its business continuity plans are not able to be put into action or do not take such events into account, losses may further increase.

Because each of the Issuer and the Group operates in a highly regulated industry, changes in statutes, regulations and regulatory policies that govern activities in its various business lines could have an effect on its operations and its net profits.

The insurance and other operations of the Issuer and the Group are subject to insurance and financial services statutes, regulations and regulatory policies that govern what products the Issuer and/or the Group sell and how the Issuer and the Group manage their business. Changes in existing statutes, regulations and regulatory policies, as well as changes in the implementation of such statutes, regulations and regulatory policies may affect the way the Issuer and the Group do business, their ability to sell new policies, products or services and their claims exposure on existing policies. In addition, changes in tax laws may affect its tax position and/or the attractiveness of certain of its products, some of which currently have favourable tax treatment.

The Issuer and the Group are subject to supervisory or regulatory laws and regulations on the basis whereof they will be required to maintain minimum required levels of a solvency margin and/or a capital adequacy ratio. Changes in such supervisory or regulatory laws and regulations may have a material effect on the

business, financial condition and operations of the Issuer and the Group and on payments by the Issuer under the Instruments, including deferral thereof.

The European Union has adopted a full scale revision of the solvency framework and prudential regime applicable to insurance companies, reinsurance companies and insurance groups through Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance as completed by the Omnibus II Directive (2011/0006(COD)) ("**Solvency II**"). The framework for Solvency II is set out in the Solvency II Directive. In the Netherlands, the legislation implementing the Solvency II Directive came into force on 1 January 2016. If Instruments would be issued under the Programme, the relevant terms may need to be adjusted to comply with capital instruments requirements under Solvency II as they stand.

Solvency II is aimed at creating a solvency framework in which the minimum amounts of capital that insurance and reinsurance companies are required to hold in order to cover the risks to which they are exposed better reflect such companies' specific risk profiles. Solvency II introduced economic risk-based solvency requirements across all Member States for the first time. While the previous directives concentrated mainly on the liabilities side (i.e. insurance risks) and included a relatively simple solvency formula based on technical provisions and insurance premiums, Solvency II introduces more comprehensive solvency requirements, taking the asset-side risks into account more extensively, but also providing new and more detailed rules regarding governance, risk management, scenario analyses, stress testing, risks associated with the other entities within the group, including the entities that are unregulated. The new regime is a "total balance sheet" type regime where the insurers' material risks and their interactions are considered. In addition to these quantitative requirements ("**Solvency II Pillar 1**"), Solvency II also sets requirements for governance, risk management and effective supervision, including the obligation to perform an Own Risk and Solvency Assessment ("**Solvency II Pillar 2**"), and disclosure and transparency requirements ("**Solvency II Pillar 3**").

Under Solvency II Pillar 1, insurers are required to hold own funds equal to or in excess of a solvency capital requirement ("**SCR**"). Solvency II categorises own funds into three tiers with differing qualifications as eligible available regulatory capital. Under Solvency II, own funds use IFRS balance sheet items where these are at fair value and replace other balance sheet items using market consistent valuations. The determination of the technical provisions and the discount rate to be applied will have a material impact on the amount of own funds required and the volatility of the level of own funds. The SCR is a risk-based capital requirement which is determined using either a standard formula (set out in the European implementing measures), or, where approved by the relevant supervisory authority, an internal model. The internal model can be used in combination with, or as an alternative to, the standard formula as a basis for the calculation of an insurer's SCR. In the Netherlands, such a model must be approved by the Dutch Central Bank (*De Nederlandsche Bank*, "**DNB**").

Although Solvency II became effective on 1 January 2016, and Solvency II numbers are based on an agreed procedure, there remains uncertainty about elements of the interpretation of Solvency II in the European and Dutch insurance market.

For instance, the SCR requirement is still subject to assessment by DNB and may be adjusted from time to time. This may affect the Solvency II ratios of insurance companies.

Also, in February 2017, DNB published guidance on the elements it considers when assessing the adjustment for the loss-absorbing capacity of deferred taxes ("**LACDT**"). The impact of this guidance on the capital position of the Group is currently subject to internal review. It cannot be excluded that the outcome of this assessment will have a negative impact on the capital ratios of the Group.

Another example is that in April 2017, the European Insurance and Occupational Pensions Authority ("**EIOPA**") published the methodology to derive the Ultimate Forward Rate ("**UFR**") and its implementation process. This methodology will be applied for the first time in the calculation of the risk-free interest rates of January 2018, to be published in February 2018. EIOPA calculated that the value of the UFR for the euro is 3.65%. According to EIOPA, annual changes will not exceed 15 basis points. In a first step of the phasing-in, the current UFR of 4.2% will therefore decrease in January 2018 to 4.05%. Changes in the UFR will have an impact on the solvency ratio of insurance companies that form part of the Group and may for that reason negatively affect the results of the Issuer and the Group.

A further example is the consultation paper on EIOPA's first set of advice to the European Commission on specific items in the Solvency II Delegated Regulation that EIOPA published on 4 July 2017. According to this consultation paper, the main goals of the review are to ensure a proportionate and technically consistent supervisory regime for (re)insurance undertakings and to look for possible simplifications in the Solvency Capital Requirements standard formula as well as to ensure the proportionate application of the requirements. EIOPA has indicated that it expects to issue yet another consultation paper by the end of 2017 on other items including own funds. The results of any such consultations and whether these could result in a recommendation to the European Commission to change certain aspects of Solvency II is uncertain.

In 2018, EIOPA will conduct a full review of Solvency II. In some cases the Dutch supervisor could implement a stricter interpretation compared to supervisors in other countries, possibly resulting in a (significant) adjustment of Solvency II figures.

Given the possibility of further changes to the regime, the effects of Solvency II on the Group's business, solvency margins and capital requirements is uncertain but could be material.

While the aim of Solvency II is to introduce a harmonised, risk-based approach to solvency capital, there is the risk that regulators introduce capital add-ons or strict, unexpected parameters for internal models, or that a lack of proper management information due to uncertainty about the regulatory changes could lead to insufficient solvency levels once those changes are applied.

Should the Group not be able to adequately comply with the Solvency II requirements in relation to capital (including with respect to grandfathering of existing subordinated loan structures), risk management, documentation and reporting processes, this could have a material adverse effect on its business, solvency, results and financial condition.

Dividend distributions and repayment of capital

In the event that an insurance company does not comply with the applicable solvency requirements or foresees that it might not meet these requirements in the twelve (12) following months, it requires a declaration of no objection from DNB for (i) a reduction of its equity by either repayment of capital or a distribution of provisions, or (ii) the distribution of dividend. This legal requirement may negatively affect the profitability of the Issuer.

Recovery and resolution framework for insurance companies

If the financial position of an insurance company deteriorates, DNB may take certain measures against the insurance company concerned, depending on the nature of the situation. For instance, DNB may request an insurance company to draw up a recovery plan (*herstelplan*) if it does not meet the relevant solvency requirements. The recovery plan (*herstelplan*) must contain measures which aim to recover the financial position of the insurance company concerned.

DNB may also request an insurance company to compile a short-term financing plan (*financieel kortetermijnplan*) if it does not meet the applicable capital requirements. The short-term financing plan (*financieel kortetermijnplan*) must aim to solve the capital shortfall within three (3) months.

In addition, DNB may limit the free disposal of the insurance company over its assets in the event that (i) the insurance company does not comply with the requirements with regard to technical provisions, (ii) the insurance company expects that it will not meet solvency requirements within three (3) months and extraordinary circumstances occur, based on which DNB expects that the financial position of the insurance company will further deteriorate, (iii) the insurance company does not meet the minimum capital requirements, or expects that this will occur within three (3) months, or (iv) in the event of a continuous deterioration of the solvency of the insurance company.

Specifically with regard to life-insurers, DNB may apply the safety-net regime (*opvangregeling*), which aims to transfer the insurance portfolio to a third party. The safety-net regime (*opvangregeling*) may be applied if (i) the insurance company drew up a short-term financing plan (*financieel kortetermijnplan*), (ii) DNB did not approve this short-term financing plan (*financieel kortetermijnplan*) and (iii) the portfolio of the insurer still has potential to survive.

If any of the abovementioned measures would be applied to the Group and/or the Issuer, this may have an impact on the operations and activities of the Group and negatively affect the profitability of the Group.

Dutch Intervention Act

In exceptional circumstances, the Issuer and financial firms (*financiële ondernemingen*) within the Group may become subject to expropriation measures. The Dutch Minister of Finance may take far-reaching measures or expropriate - among others - securities such as the Instruments, issued by or with the consent of a financial institution or its parent company, in each case if it has its corporate seat in the Netherlands, if in the Minister of Finance's opinion the stability of the financial system is in serious and immediate danger as a result of the situation in which the firm finds itself. The application of such measures may have a material negative impact on the profitability of the Group.

Draft Resolution Bill

In July 2016, a draft bill for the Recovery and Resolution (Insurers) Act (*Wet herstel en afwikkeling van verzekeraars*, the "**Draft Resolution Bill**") and an accompanying explanatory memorandum were published for consultation. No legislative proposal was published yet at the date of this Base Prospectus.

The proposed new rules are intended to strengthen the legislative framework for the recovery and resolution of insurers. The Draft Resolution Bill creates a new recovery and resolution framework under which certain obligations are imposed on insurers and certain resolution powers are conferred on DNB. The proposed new recovery and resolution framework will apply to - among others - all insurers who are subject to DNB's prudential supervision. In the case of a group consisting of one or more insurers and one or more banks (a financial conglomerate), the recovery and resolution powers in the new framework may be exercised only against the insurer(s). If an entity falls within the scope of both the resolution regime for banks and the corresponding regime for insurers (for example, because it is a mixed financial holding company), the regime for banks will have priority because of its basis in EU law.

The Draft Resolution Bill distinguishes two phases: the preparation phase and the resolution phase.

During the preparation phase, each insurer is required to draw up a preparatory crisis plan and DNB is required to draw up (and periodically evaluate) a resolution plan for each insurer.

During the resolution phase, DNB has several recovery and resolution tools. The resolution tools include the bail-in tool, the sale of business tool, the bridge institution tool and the asset separation tool. In addition to the

abovementioned resolution tools and corresponding powers, the Draft Resolution Bill gives DNB special powers to take actions such as: (i) taking over the management of an insurer under resolution, (ii) appointing a special director to take over the insurer's management, (iii) converting the insurer into a different legal form if this is necessary to apply bail-in, and (iv) terminating or modifying the terms of an agreement to which the insurer is a party.

Under the Draft Resolution Bill, a counterparty is prohibited from exercising certain contractual rights (such as termination and close-out rights) and rights attached to security interests if those rights arose as a result of the application of a recovery or resolution measure or an event directly linked to the application of such a measure. However, this only applies if the insurer under resolution continues to perform its substantive obligations under the relevant contract, including payment and delivery obligations and the provision of collateral. Contractual rights arising as a result of an event other than the application of a recovery or resolution measure or a directly linked event are not covered by the prohibition. In addition, DNB may temporarily suspend and/or restrict the payment or delivery obligations of an insurer under resolution or a counterparty's rights to terminate an agreement with the insurer under resolution or enforce a security interest. However, a counterparty's termination rights may only be suspended if the insurer continues to meet its substantive obligations to that counterparty.

In this connection, it should be noted that a suspension can sometimes apply to agreements with the insurer's subsidiaries. Furthermore, an (in principle) temporary suspension of termination rights can, under certain circumstances, become permanent.

The Draft Resolution Bill provides for certain safeguards for shareholders and creditors of an insurer under resolution, such as (i) the application of the "no creditor worse off" principle, (ii) rules for the protection of linked assets and liabilities of the insurer under resolution, (iii) safeguards against application of fraudulent preference (*actio pauliana*), and (iv) safeguards with regard to orders that have already been entered into a system as referred to in the Settlement Finality Directive.

In order to finance the resolution of insurers, the Draft Resolution Bill provides for the establishment of a fund. This fund may not be used to recapitalise or absorb the losses of insurers under resolution. The main purpose of the fund is to compensate creditors based on the "no creditor worse off" principle. All Netherlands-based insurers and all branches in the Netherlands of insurers established in a non-EEA country (other than Solvency II Basic insurers) will have to contribute to the fund. DNB will set the amount of their contributions.

The consultation was closed in August 2016. It is now up to the Minister of Finance to decide whether and if so, in what form a formal Bill will be presented to the Dutch Parliament.

In December 2016, EIOPA published a Discussion Paper on Potential Harmonisation of Recovery and Resolution Frameworks for Insurers. Subsequently, on 5 July 2017, EIOPA published an Opinion on the Harmonisation of the Recovery and Resolution Framework for (Re)Insurers across the European Union. In its Opinion document, which was addressed to the European Parliament, EIOPA calls for a minimum degree of harmonisation applied in a proportionate manner with the objective to avoid fragmentation and to facilitate cross-border cooperation and coordination, while leaving room for the Member States to address any specificities of their national insurance market. EIOPA proposes four building blocks of a harmonised recovery and resolution framework for insurers: (i) Preparation and Planning, (ii) Early Intervention/Recovery, (iii) Resolution and (iv) Cooperation and Coordination. The aim of this framework as well as its elements are to a large extent aligned with those of the Draft Resolution Bill set out above.

Application of resolution and recovery measures would have a material adverse effect on the Issuer's and the Group's business, financial position and results of operations.

Supervision on financial conglomerates

The Financial Conglomerates Directive (2002/87/EC) aims at the supplementary supervision of regulated entities that form part of a financial conglomerate. Financial conglomerates are groups with licences in both the banking and the insurance sector. The Issuer is part of a group that qualifies as such a financial conglomerate. The Financial Conglomerates Directive focuses on potential risks of double gearing (multiple use of capital) and on group risks (the risks of contagion, management complexity, risk concentration, and conflicts of interest).

In August 2010, the EC proposed to amend the existing rules on the supervision of financial conglomerates. In December 2011, these rules entered into force by way of the Directive regarding the supplementary supervision of financial entities in a financial conglomerate (2011/89/EU, "**Fico I**"). Fico I further strengthened the supervision on financial conglomerates, mainly by better aligning the various forms of group supervision. Fico I was partially implemented and applicable in the Netherlands on 1 January 2014. The remainder of Fico I entered into force on 1 January 2016. In June 2016, the European Commission published a consultation document with regard to Fico I. The consultation period ended in September 2016. It is unclear which conclusions the European Commission will draw from the consultation and therefore what the impact thereof on the Group will be.

The Dutch Financial Supervision Act contains specific provisions concerning the prudential supervision of financial groups. These provisions deal with: (a) the consolidated supervision of credit institutions and investment firms; (b) the supervision of life insurance companies, general insurance companies and reinsurance companies in an insurance group; and (c) the supervision of financial conglomerates, in order to enable DNB to form a correct picture of the financial soundness of a group, so as to ensure, inter alia, that a group's solvency is not presented in an excessively favourable light.

Activity of regulators

The Group falls under the supervision of DNB and the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, "**AFM**"). The regulators regularly publish guidelines and interpretations of the rules which apply to the Group. Also, the regulators regularly carry out (market-wide) investigations with regard to companies that fall under their supervision. For instance, DNB recently made public the following activities and areas of interest among others:

- information security by insurance companies;
- the product approval and review process with respect to certain insurance products;
- the risk management function of insurance companies;
- DNB will carry out a stress test for non-life insurers in 2017; and
- DNB will carry out a sector study on health insurers in 2017.

The activities of the regulators may lead to recommendations to the market. Such recommendations may require the Group to make adjustments within its organisation, or lead to further investigations and potential regulatory measures.

Because the banking business of the Issuer are subject to significant adverse regulatory developments including changes in regulatory capital and liquidity requirements, the results of the Issuer can be materially affected.

The Issuer through its banking subsidiaries conducts its businesses subject to ongoing regulatory and associated risks, including the effects of changes in law, regulations, and policies in The Netherlands. The timing and form of future changes in regulation are unpredictable and beyond the control of the Issuer, and changes made could materially adversely affect the Issuer's banking business.

As a result of its banking activities, the Group is subject to detailed banking and other financial services laws and government regulation in the Netherlands, of which a non-exhaustive summary is set out below. The banking subsidiaries of the Issuer are required to hold a licence for their operations and are subject to regulation and supervision by authorities in the Netherlands such as DNB, the AFM and in all other jurisdictions in which they operate. Extensive regulations are already in place and new regulations and guidelines are introduced relatively frequently. Regulators and supervisory authorities seem to be taking an increasingly strict approach to regulation and the enforcement thereof that may not be to the Group's benefit. A breach of any regulations by the banking subsidiaries of the Issuer could lead to intervention by supervisory authorities and the banking subsidiaries of the Issuer could come under investigation and surveillance, and be involved in judicial or administrative proceedings. The Group may also become subject to new regulations and guidelines that may require additional investments in systems and people and compliance with which may place additional burdens, costs or restrictions on the Group.

In light of the responses to the global economic and financial crisis, financial institutions have been confronted with a succession of new legislation and regulations, including, in particular, rules and regulations regarding capital adequacy, liquidity, leverage, accounting and other factors affecting banks (as discussed further below). Other recent and future prudential, conduct of business and more general regulatory initiatives that may affect the Group include, but are not limited to: (i) the European Market Infrastructure Regulation (EMIR), which imposes mandatory central clearing, certain risk mitigation requirements, as well as reporting obligations, in respect of (OTC) derivative transactions, (ii) the Mortgage Credit Directive (2014/17/EU), which, as implemented in Dutch law, introduced new requirements aiming to increase consumer protection relating to mortgage credit agreements, for instance with respect to pre-contractual information, the way of calculating the annual percentage rate of charge, early repayment and arrears, and foreclosure, (iii) the PRIIPS Regulation, which will provide that manufacturers and distributors of certain investment products will have to produce and/or provide a 'Key Information Document', (iv) MiFID II and the accompanying regulation (MiFIR), which will give more extensive powers to supervisory authorities, increases market infrastructure, reporting and transparency requirements, introduces more robust investor protection, a harmonised position-limits regime for commodity derivatives and the possibility to impose higher fines in case of infringement of its requirements and, finally, (v) the fourth Anti-Money Laundering Directive and accompanying regulation which will provide, among others, for refined rules on customer due diligence requirements, and (vi) the Regulation on transparency of securities financing transactions and of re-use (2015/2365).

Specifically, as regards the recent and future capital adequacy, liquidity and leverage requirements relevant for the banking subsidiaries of the Issuer, in December 2010, the Basel Committee on Banking Supervision (the "**Basel Committee**") published its final standards on the revised capital adequacy framework known as "**Basel III**". These standards are significantly more stringent than the previous requirements. In order to facilitate the implementation of the Basel III capital and liquidity standards for banks and investment firms, on 20 July 2011 the European Commission proposed a legislative package to strengthen the regulation of the banking sector. On 26 June 2013, the Council and the European Parliament adopted the package known as "**CRD IV**". CRD IV has replaced the former Capital Requirements Directives (2006/48 and 2006/49) with a directive (Directive 2013/36/EU, "**CRD IV Directive**") and a regulation (Regulation (EU) 575/2013, "**CRR**") which aim to create a financial system that is more safe and more sound. The CRD IV Directive governs amongst other things the access to deposit-taking activities while the CRR establishes the majority of prudential requirements institutions need to respect. The CRR is effective as of 1 January 2014, and has direct effect in the Netherlands. The CRD IV Directive was implemented in Dutch law as per 1 August 2014. A number of the requirements introduced under CRD IV will be phased in over a period of time or further supplemented through the Regulatory and Implementing Technical Standards produced by the European Banking Authority (the "**EBA**").

CRD IV, in implementing Basel III, is intended to increase the quality and quantity of capital, to require increased capital against derivative positions and to introduce a capital conservation buffer, a counter-cyclical buffer, a new liquidity framework as well as a leverage ratio and a liquidity coverage ratio. The Issuer cannot fully predict what impact the new rules and regulations will have on its (banking subsidiaries') business until the final rules and regulations are adopted and implemented and what the scope of these rules and regulations will be. Any new or changed regulations may adversely affect the Group's business and/or results of operations.

In addition, the Basel Committee has published proposals to further strengthen the risk-weighted capital framework, including in relation to credit risk, market risk and operational risk. At the end of 2015, and following a first consultative document published in December 2014, the Basel Committee published a second consultative document concerning revisions to the standardised approaches for credit, operational and market risk, and the introduction of capital floors. The revisions form part of the Basel Committee's broader review of the capital framework to balance simplicity and risk sensitivity, and to promote comparability by reducing variability in risk-weighted assets across banks and jurisdictions. In the first quarter of 2016, the Basel Committee published a consultative paper proposing changes to the internal ratings-based ("**IRB**") approaches. On 6 April 2016, the Basel Committee issued a consultative document on the revision to the Basel III leverage ratio framework. Among the areas subject to proposed revision in this consultative document are the change in the calculation of the derivative exposures and the credit conversion factors for off-balance sheet items. Each of these amendments could have a negative impact on the Issuer's business, financial position and results of operations.

On 23 November 2016, the European Commission published legislative proposals to amend and supplement certain provisions of, inter alia, CRD IV, CRR, the BRRD (as defined below) and the SRM (as defined below) (the "**EU Banking Reform Proposals**"), including measures to further strengthen the resilience of EU banks. The EU Banking Reform Proposals are wide-ranging and cover multiple areas, including revisions in the Pillar 2 framework, a binding 3% leverage ratio, the introduction of a binding detailed net stable funding ratio, permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of "non-preferred" senior debt, revisions in the MREL (as defined below) framework and the transposition of the fundamental review of the trading book (FRTB) conclusions into EU legislation. As such, the EU Banking Reform Proposals may have significant effects on the banking subsidiaries of the Issuer (including with regard to the MREL it must maintain).

Risks related to the Dutch Intervention Act, BRRD, SRM and Revised State Aid Guidelines

In 2012, the Dutch government adopted banking legislation dealing with ailing banks (Special Measures Financial Institutions Act, *Wet bijzondere maatregelen financiële ondernemingen*, the "**Dutch Intervention Act**"). Pursuant to the Dutch Intervention Act, substantial new powers were granted to DNB and the Dutch Minister of Finance enabling them to deal with, *inter alia*, ailing Dutch banks prior to insolvency.

The national framework for intervention by DNB with respect to banks has been replaced by the SRM (see below) and the law implementing the resolution framework set out in the BRRD (see below). However, the powers granted to the Dutch Minister of Finance under the Dutch Intervention Act remain. The Dutch Minister of Finance may take measures or expropriate assets and liabilities, claims against, or securities issued by or with the consent of a financial firm (*financiële onderneming*) or its parent, in each case if it has its corporate seat in the Netherlands, if in the Minister of Finance's opinion the stability of the financial system is in serious and immediate danger as a result of the situation in which the firm finds itself.

On 12 June 2014, a Directive providing for the establishment of a European-wide framework for the recovery and resolution of credit institutions and investment firms (2014/59/EU, "**BRRD**") was published in the Official Journal of the European Union. The measures set out in the BRRD (including the Bail-in Tool, as

defined below) have been implemented in national law in the Netherlands with effect from 26 November 2015.

The BRRD sets out a common European recovery and resolution framework which is composed of three pillars: preparation (by requiring banks to draw up recovery plans and resolution authorities to draw up resolution plans), early intervention powers and resolution powers. In addition, BRRD provides preferential ranking on insolvency for certain deposits that are eligible for protection by deposit guarantee schemes (including the uninsured element of such deposits and, in certain circumstances, deposits made in non-EEA branches of EEA credit institutions). The stated aim of BRRD is, similar to the Dutch Intervention Act, to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

For banks established in a Member State participating in the Single Supervisory Mechanism, such as the banking subsidiaries of the Issuer, the BRRD is implemented by the directly binding regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the "**SRM**"). The SRM establishes a single European resolution board (the "**Resolution Board**") having resolution powers over the institutions that are subject to the SRM, in particular institutions which are deemed significant under the Single Supervisory Mechanism, thus replacing or exceeding the powers of the national resolution authorities within the euro area. Currently, DNB in its capacity of national resolution authority ("**NRA**") shall perform resolution tasks and responsibilities under the SRM with respect to the banking subsidiaries of the Issuer (as a less significant institution under the Single Supervisory Mechanism). However, the Resolution Board may take over the role of the NRA with respect to the banking subsidiaries of the Issuer in certain circumstances set out in the SRM. In such case, the Resolution Board has the authority to exercise the specific resolution powers pursuant to the SRM which are similar to those of the NRA under the BRRD and SRM. The resolution tools available for the Resolution Board include the sale of business tool, the bridge institution tool, the asset separation tool and the Bail-in Tool as further specified in the SRM.

The SRM and BRRD apply not only to banks, but may also apply to certain investment firms, group entities and (to a limited extent) branches of equivalent non-EEA banks and investment firms. In connection therewith, the SRM and BRRD recognise and enable the application of the recovery and resolution framework both on the level of an individual entity as well as on a group level. The below should be read in the understanding that the banking subsidiaries of the Issuer may become subject to requirements and measures under the SRM and BRRD not only with a view to or as a result of its individual financial situation, but also, in certain circumstances, with a view to or as a result of the financial situation of the group that it forms part of.

The Resolution Board may apply interpretations of BRRD or recovery and resolution strategies that differ from those applied by the relevant NRA. Any change in the interpretation or strategy may affect the resolution plans for the banking subsidiaries of the Issuer, as prepared by the relevant NRA.

If the banking subsidiaries of the Issuer would infringe or, due to a rapidly deteriorating financial condition, would be likely to infringe capital or liquidity requirements in the near future, the supervisory authorities will have the power to impose early intervention measures. A rapidly deteriorating financial condition could, for example, occur in case of a deterioration of the liquidity situation of the banking subsidiaries of the Issuer, increasing level of leverage and non-performing loans. Intervention measures include the power to require changes to the legal or operational structure of the institution, changes to the institutions' business strategy, managing board of the banking subsidiaries of the Issuer to convene a general meeting of shareholders, set the agenda and require certain decisions to be considered for adoption by the General Meeting.

If the banking subsidiaries of the Issuer were to reach a point of non-viability, the relevant resolution authority could take pre-resolution measures. These measures include the write down and cancellation of shares, and the write down of capital instruments or conversion of capital instruments into shares. A write down or conversion into shares of capital instruments could adversely affect the rights and effective remedies of Noteholders and the market value of their Notes could be negatively affected.

The BRRD and SRM provide resolution authorities with broader powers to implement resolution measures with respect to banks which meet the conditions for resolution, which may include (without limitation) the sale of the bank's business to a third party or a bridge institution, the separation of assets, the Bail-in Tool, the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt instruments and discontinuing the listing and admission to trading of financial instruments. The Bail-in Tool comprises a more general power for resolution authorities to write down the claims of unsecured creditors of a failing bank and to convert unsecured debt claims into equity.

Subject to certain exceptions, as soon as any of these proposed proceedings have been initiated by the relevant resolution authority, as applicable, the relevant counterparties of such bank would not be entitled to invoke events of default or set off their claims against the bank for this purpose. The application of resolution measures may lead to additional measures. For example, in connection with the nationalisation of SNS Reaal N.V. pursuant to the Dutch Intervention Act, a one-off resolution levy for all banks was proposed by the Dutch Minister of Finance.

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

Resolution Fund

The SRM provides for a single resolution fund ("**Resolution Fund**") that will be financed by banking groups included in the SRM. The banking subsidiaries of the Issuer will only be eligible for contribution to loss absorption by the Resolution Fund after a resolution action is taken if shareholders, the holders of relevant capital instruments and other eligible liabilities have made a contribution (by means of a write down, conversion or otherwise) to loss absorption and recapitalisation equal to an amount not less than 8% of the total liabilities (including own funds and measured at the time of the resolution action). This means that the banking subsidiaries of the Issuer must hold on to sufficient own funds and liabilities eligible for write down and conversion in order to have such access to the single resolution fund in case of a resolution. This may have an impact on the capital and funding costs of the banking subsidiaries of the Issuer.

State Aid

On 10 July 2013, the European Commission announced the adoption of its temporary state aid rules for assessing public support to financial institutions during the crisis (the "**Revised State Aid Guidelines**"). The Revised State Aid Guidelines impose stricter burden-sharing requirements, which require banks with capital needs to obtain additional contributions from equity holders and capital instrument holders before resorting to public recapitalisations or asset protection measures. The European Commission has applied the principles set out in the Revised State Aid Guidelines from 1 August 2013. The European Commission has made it clear that any burden sharing imposed on subordinated debt holders will be made in line with principles and rules set out in BRRD.

The Dutch Intervention Act, BRRD, SRM, the EU Banking Reform Proposals and the Revised State Aid Guidelines may increase cost of funding of the banking subsidiaries of the Issuer and thereby have an adverse impact on funding ability, financial position and results of operations of the banking subsidiaries of the Issuer. In case of a capital shortfall, the banking subsidiaries of the Issuer would first be required to carry out all possible capital raising measures by private means, including the conversion of junior debt into equity, before one is eligible for any kind of restructuring State aid.

RTS on the minimum requirement for own funds and eligible liabilities under BRRD and SRM

Pursuant to the SRM and BRRD, banks are required to meet at all times a minimum amount of own funds and eligible liabilities ("**MREL**") expressed as a percentage of the total liabilities and own funds to ensure that the Bail-in Tool and other resolution tools are effective. The competent resolution authority shall establish a level of minimum MREL on a bank-by-bank basis based on assessment criteria to be set out in technical regulatory standards. On 23 May 2016, the European Commission adopted the regulatory technical standards ("**RTS**") on the criteria for determining the MREL under BRRD (Commission Delegated Regulation (EU) 2016/1450 with regard to regulatory technical standards specifying the criteria relating to the methodology for setting MREL). The RTS provide for resolution authorities to allow institutions a transitional period to reach the applicable MREL requirements.

Unlike the Financial Stability Board's (the "**FSB**") standard, the RTS do not set a minimum EU-wide level of MREL, and the MREL requirement applies to all credit institutions, not just to those identified as being of a particular size or of systemic importance. Each resolution authority is required to make a separate determination of the appropriate MREL requirement for each resolution group within its jurisdiction, depending on the resolvability, risk profile, systemic importance and other characteristics of each institution.

The MREL requirement for each institution will be comprised of a number of key elements, including the required loss absorbing capacity of the institution (which will, as a minimum, equate to the institution's capital requirements under CRD IV, including applicable buffers), and the level of recapitalisation needed to implement the preferred resolution strategy identified during the resolution planning process. Other factors to be taken into consideration by resolution authorities when setting the MREL requirement include: the extent to which an institution has liabilities in issue which are excluded from contributing to loss absorption or recapitalisation; the risk profile of the institution; the systemic importance of the institution; and the contribution to any resolution that may be made by deposit guarantee schemes and resolution financing arrangements.

Items eligible for inclusion in MREL will include an institution's own funds (within the meaning of CRD IV), along with "eligible liabilities", meaning liabilities which *inter alia*, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year), and do not arise from derivatives.

Whilst there are a number of similarities between the MREL requirement and the FSB's standard for the total loss-absorbing capacity ("**TLAC**") of global systemically important banks ("**G-SIBs**"), there are also certain differences, including the timescales for implementation. The RTS suggests that the MREL requirements can nevertheless be implemented for G-SIBs in a manner that is "consistent with" the international framework, and contemplates a possible increase in the MREL requirement over time in order to provide for an adequate transition to compliance with the TLAC requirements (which are currently projected to apply from January 2019). Further convergence in the detailed requirements of the two regimes is expected, as proposed by EBA in its final report on the implementation and design of the MREL framework of 14 December 2016 (the "**EBA Final MREL Report**") and by the European Commission in its EU Banking Reform Proposals. However, it is still uncertain to what extent the regimes will converge and what the final requirements will look like.

Intended TLAC and MREL alignment

The EBA Final MREL Report contains a number of recommendations to amend the current MREL framework. The EU Banking Reform Proposals contain the legislative proposal of the European Commission for the amendment of the MREL framework and the implementation of the TLAC standards. The EU Banking Reform Proposals propose the amendment of a number of aspects of the MREL framework to align it, *inter alia*, with the TLAC standard. To maintain coherence between the MREL rules applicable to G-SIBs and those applicable to non-G-SIBs, the EU Banking Reform Proposals also propose a number of changes to the MREL rules applicable to non-G-SIBs, including (without limitation) the criteria for the eligibility of liabilities for MREL. While the EU Banking Reform Proposals propose for a minimum harmonised or "Pillar 1" MREL requirement for G-SIBs, in the case of non-G-SIBs it is proposed that MREL requirements will be imposed on a bank-specific basis. The EU Banking Reform Proposals further provide for the resolution authorities to give guidance to an institution to have own funds and eligible liabilities in excess of the requisite levels for certain purposes.

Risks relating to the FSB standard, RTS and the EU Banking Reform Proposals

Both the FSB standard and the RTS may be subject to change and further implementation. On 23 November 2016, the European Commission announced the EU Banking Reform Proposals which intend to implement TLAC and clarify its interaction with MREL. However, the EU Banking Reform Proposals are to be considered by the European Parliament and the Council of the European Union and therefore remain subject to change. As a result, it is not possible to give any assurances as to the ultimate scope, nature, timing and of any resulting obligations, or the impact that they will have on the banking subsidiaries of the Issuer once implemented. If the EU Banking Reform Proposals are implemented in their current form however, it is possible that the banking subsidiaries of the Issuer may have to issue a significant amount of additional MREL eligible liabilities in order to meet the new requirements within the required timeframes. If the banking subsidiaries of the Issuer were to experience difficulties in raising MREL eligible liabilities, they may have to reduce their lending or investments in other operations which would have a material adverse effect on the Issuer's business, financial position and results of operations.

Because the banking subsidiaries of the Issuer face refinancing risks in the capital markets, the banking subsidiaries of the Issuer might face substantial liquidity risks.

The banking subsidiary of the Issuer face liquidity risk. Liquidity risk refers to the risk that funding and liquid assets will not be (sufficiently) available as a result of which the banking subsidiaries of the Issuer may not be able to meet short-term financial obligations. The sensitivity of the banking subsidiaries of the Issuer to this risk is substantial. The amount of mortgage loans on the banking subsidiaries of the Issuer's balance sheet exceeds the amount of savings money attracted (via its subsidiary entity Achmea Bank N.V.). This has resulted in a dependency on wholesale funding including the use of securitisation of the mortgage portfolio and the issue of covered bonds and secured and unsecured euro medium term notes. The gap between mortgage loans granted and savings and deposits entrusted is funded in the money and capital markets. Good access to these markets may be necessary to finance the growth of the mortgage loan portfolio and to refinance all outstanding loans with a shorter maturity than the mortgage loans in which the money is invested. The access to the money and capital markets may be affected by concerns about the credit strength of the banking subsidiaries of the Issuer, but may also be influenced by concerns about the market segments in which the banking subsidiaries of the Issuer are active, or by a general market disruption. Access to the markets may be further affected by a deterioration of the credit rating of the Issuer.

Because the Issuer operates in highly competitive markets, including in its home market, the Issuer may not be able to further increase, or even maintain, its market share, which may have an adverse effect on its results of operations.

There is substantial competition in the Netherlands and the other countries in which the Issuer does business for the types of insurance and other products and services the Issuer provides. Customer loyalty and retention can be influenced by a number of factors, including relative service levels, the prices and attributes of products and services, and actions taken by competitors. If the Issuer is not able to match or compete with the products and services offered by its competitors, it could adversely impact its ability to maintain or further increase its market share, which would adversely affect its results of operations. Such competition is most pronounced in its more mature markets of the Netherlands, Greece and Ireland. In recent years, however, competition in emerging markets, such as Central and Eastern Europe, has also increased as large insurance and banking industry participants from more developed countries have sought to establish themselves in markets which are perceived to offer higher growth potential, and as local institutions have become more sophisticated and competitive and have sought alliances, mergers or strategic relationships with its competitors.

Based on geographic division of its operating profit, the Netherlands is the Issuer's largest market for its operations. Increasing competition in this or any of its other markets may significantly impact the results if the Issuer is unable to match the products and services offered by its competitors.

Because its reinsurance arrangements are with a limited number of reinsurers, the inability of one or more of these reinsurers to meet their financial obligations could have an adverse effect on the results of operations of the Issuer.

The insurance operations of the Issuer have bought protection for risks that exceed certain risk tolerance levels set for its life, non-life and health business. This protection is bought through reinsurance arrangements in order to reduce possible losses. Because in most cases the Issuer must pay the policyholders first, and then collect from the reinsurer, the Issuer is subject to credit risk with respect to each reinsurer for all such amounts. The inability of any one of these reinsurers to meet its financial obligations to the Issuer could have a material adverse effect on the net profits and financial results of the Issuer.

Because the Issuer also operates in markets with less developed judiciary and dispute resolution systems, proceedings could have an adverse effect on its operations and net result.

In the less developed markets in which the Issuer operates, judiciary and dispute resolution systems may be less developed. In case of a breach of contract the Issuer may have difficulties in making and enforcing claims against contractual counter parties. On the other hand, if claims are made against the Issuer, the Issuer might encounter difficulties in mounting a defence against such allegations. If the Issuer becomes party to legal proceedings in a market with an insufficiently developed judiciary system, it could have an adverse effect on its operations and net result. Because the Issuer is a financial services company and its group companies are continually developing new financial products, the Issuer might be faced with claims that could have an adverse effect on its operations and net result if clients' expectations are not met. When new financial products are brought to the market, communication and marketing is focussed on potential advantages for the customers. If the products do not generate the expected profit, or result in a loss, customers may file claims against the Issuer or any of its affiliates for not fulfilling its potential duty of care. Potential claims could have an adverse effect on its operations and net result.

Legal proceedings

The Issuer is and may become involved in legal proceedings which, if resolved negatively for the Issuer, could have an adverse effect on the Issuer's operations, net results and equity position. For current proceedings reference is made to "Litigation – Unit-linked Products" beginning on page 143 and "Litigation – Conflict between the Slovak Government and Achmea B.V." on pages 143 and 144 and "Litigation – PZU" on page 143 of this Base Prospectus.

Because the Issuer is exposed to financial risks such as credit risk, default risk and risks concerning the adequacy of its credit provisions it could have a significant effect on the value of the Issuer's assets

Credit risk refers to the potential losses incurred by the Issuer as a result of debtors not being able to fulfil their obligations when due, or a perceived increased likelihood thereof. Losses incurred due to credit risk include actual losses from defaults, market value losses due to credit rating downgrades and/or spread widening, or impairments and write-downs. The Issuer is exposed to various types of general credit risk, including spread risk, default risk and concentration risk. Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. These parties may include customers, the issuers whose securities are being held by the Issuer, trading counterparties, counterparties under swaps and other derivative contracts, clearing agents, exchanges, clearing houses and other financial intermediaries. These parties may default on their obligations to the Issuer due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons.

The business of the Issuer is also subject to risks that have their impact on the adequacy of its credit provisions. These provisions relate to the possibility that a counterparty may default on its obligations to the Issuer which arise from financial transactions. Depending on the actual realisation of such counterparty default, the current credit provisions may prove to be inadequate. If future events or the effects thereof do not fall within any of the assumptions, factors or assessments used by the Issuer to determine its credit provisions, these provisions could be inadequate.

The Issuer is also exposed to concentration risk, which is the risk of default by counterparties or investments in which it has taken large positions. A single default of a large exposure could therefore lead to a significant loss for the Issuer.

Because the Issuer and its subsidiaries are exposed to counterparty risk through its subsidiaries in relation to other financial institutions, deteriorations in the financial soundness of other financial institutions may have a material adverse effect on the Issuer's and its subsidiaries' business, revenues, results and financial condition

Due to the nature of the global financial system, financial institutions, such as the Issuer and the subsidiaries of the Issuer, are interdependent as a result of trading, counterparty and other relationships. Other financial institutions with whom the Issuer or its subsidiaries conducts business act as counterparties to the Issuer or its subsidiaries in such capacities as borrowers under loans, issuers of securities, customers, banks, reinsurance companies, trading counterparties, counterparties under swaps and credit and other derivative contracts, clearing agents, exchanges, clearing houses, brokers and dealers, commercial banks, investment banks, mutual and hedge funds and other financial intermediaries. In any of these capacities, a financial institution acting as a counterparty may not perform its obligations due to, among other things, bankruptcy, lack of liquidity, market downturns or operational failures, and the collateral or security it provides may prove inadequate to cover their obligations at the time of the default. The interdependence of financial institutions means that the failure of a sufficiently large and influential financial institution due to disruptions in the financial markets could materially disrupt securities markets or clearance and settlement systems in the markets. This could cause severe market declines or volatility. Such a failure could also lead to a chain of defaults by counterparties that could materially adversely affect the Issuer or its subsidiaries. This risk, known as "systemic risk", could adversely impact future product sales as a result of reduced confidence in the insurance and banking industries. It could also reduce results because of market declines and write-downs of assets and claims on third parties. The Issuer and its subsidiaries believe that despite increased focus by regulators around the world with respect to systemic risk, this risk remains part of the financial system in which the Issuer and its subsidiaries operate and dislocations caused by the interdependency of financial market participants could have a material adverse effect on its business, revenues, results and financial condition.

Because the Issuer or its subsidiaries are exposed to fluctuations in the equity, fixed income and property markets, it could result in a material adverse effect on its returns on invested assets and the value of its investment portfolio or its solvency position

The returns on the investments from the Issuer through its subsidiaries are highly susceptible to fluctuations in equity, fixed income and property markets. The Issuer through its subsidiaries bears all the risk associated with its own investments. Fluctuations in the equity, fixed income and property markets affect the Issuer's profitability, capital position and sales of equity related products. A decline in any of these markets will lead to a reduction of unrealised gains in the asset or result in unrealised losses and could result in impairments. Any decline in the market values of these assets reduces the Issuer's solvency, which could materially adversely impact the Issuer's financial condition and the Issuer's ability to attract or conduct new business. The value of the Issuer's own risk fixed income portfolio could be affected by changes in the credit rating of the issuer of the securities as well as by liquidity generally in the bond markets. When the credit rating of the issuer of the debt securities falls, the value of the fixed income security may also decline. In addition, most of the Issuer's or its subsidiaries fixed income securities are classified as financial assets at fair value through profit or loss and, as a result, any decline in the market value of these fixed income securities is reflected as a loss in the period during which it occurred, even if the Issuer has not sold the securities but kept them in its portfolio. A decrease in the long-term interest rate primarily adversely affects the values of the Issuer through its subsidiaries' liabilities under traditional life contracts, as liabilities are discounted using market interest rates for supervisory reporting and/or financial reporting. This negative effect is partly offset by the simultaneous increase in the market value of fixed income assets. The net effect on the net asset value/surplus depends on the duration and volume matching of assets and liabilities as well as derivatives. In periods where interest rates are higher than the current interest rates and in periods of increasing long-term interest rates, the market value of fixed income assets and/or interest rate derivatives of the Issuer through its subsidiaries may continue to decrease, unlike the liabilities. As the Issuer has to maintain a minimum level of technical provisions for its liabilities pursuant to Capital Adequacy Regulations, there could be a gap between the interest rate sensitivity of the Issuer's liabilities and the interest rate sensitivity of the Issuer's assets, which may be difficult to hedge effectively. Furthermore, in periods where interest rates are higher than the current interest rates and in periods of increasing long-term interest rates, the market value of fixed income assets and/or interest rate derivatives of the Issuer may continue to decrease, whereas the minimum level of regulatory required capital may increase. As the Issuer anticipates it has to maintain a minimum level of capital in the future as prescribed by future Applicable Capital Adequacy Regulations, there could be an interest rate sensitivity of net assets over the regulatory minimum capital requirement which may be difficult to hedge effectively.

The value of the Issuer's or its subsidiaries property portfolio is subject to risks related to, amongst others, occupancy levels, rent levels, consumer spending, prices of properties and interest rates. Due to the recent economic downturn, the property market faces worsening commercial property occupancy levels and low consumer spending on residential property, which, in turn, could reduce returns on property investments. Occupancy levels could drop if the Issuer does not properly manage the contractual provisions governing the leases related to the properties. For instance, short-term contracts or provisions entitling customers to terminate contracts early could reduce occupancy. The recent economic downturn could also result in a further decline in the market values of residential and commercial properties as a result of reluctance in the market to further buy property or to invest in new building projects. Any decline in the market values of its property investments could have a material adverse effect on the Issuer's business, revenues, results and financial condition. The Issuer through its subsidiaries is exposed not only in respect of its own capital invested in equities, fixed income assets and property, but also in respect of its liabilities to policyholders in respect of the funds of policyholders and other customers invested in equities, fixed income assets and property under life insurance contracts such as unit-linked products and investment contracts. Many of the

Issuer's life insurance products sold by its subsidiaries guarantee a minimum investment return or minimum accumulation at maturity to the policyholder. In the event that the decline in value of the invested assets is greater than the decline in liabilities associated with the guaranteed benefits, the Issuer must increase its provisions formed for the purpose of funding these future guaranteed benefits, which will result in an adverse impact on the Issuer's results. In addition, the Issuer's revenues from unit-linked products (including those without minimum guarantees) and investment contracts depend on fees paid by the customer. Because those fees are generally assessed as a percentage of Assets under Management ("AUM"), they vary directly with the market value of such assets. Therefore a general decline in financial markets, including in particular equity markets, will reduce the Issuer's revenues under these contracts

While the Issuer manages its operational risks, these risks remain an inherent part of all of its businesses

The operational risks that the issuer or its subsidiaries face include the possibility of inadequate or failed internal or external processes or systems, human error, regulatory breaches, employee misconduct or external events such as fraud and changes in the regulatory framework. These events may result in financial loss and may harm the reputation of the Issuer. Additionally, the loss of key personnel could adversely affect their operations and results. The Issuer attempts to keep operational risks at appropriate levels by maintaining a well-controlled environment in light of the characteristics of their business, the markets and the regulatory environments in which they operate. While these control measures mitigate operational risks they do not eliminate them.

The Issuer could be exposed to catastrophic events, terrorist attacks and similar events which could have a negative impact on the business and results of the Issuer

Catastrophic events, terrorist attacks and similar events, as well as the responses thereto may create economic and political uncertainties, which could have a negative impact on the economic conditions in the regions in which the Issuer operates and, more specifically, on the business and results of the Issuer in ways that cannot be predicted. The insurance business of insurance companies within Achmea Group is subject to the risk of claims resulting from major (catastrophic) events. For example, some weather-related events (in The Netherlands these specifically include storm and hail events) could result in substantial cumulative claims in the non-life insurance business. The life-insurance business could be affected by catastrophic events like a pandemic.

Because the Issuer is active in the insurance business, changes in longevity, mortality and morbidity experience may materially adversely affect the results of the Issuer

The Issuer's insurance business is exposed to longevity risk (the risk the insured party lives longer), mortality risk (the risk the insured party dies sooner) and morbidity risk (the risk the insured party falls seriously ill or is disabled). Annuities (including the Issuer's single premium group pension business) and other life insurance products are subject to longevity risk, which is the risk that annuitants live longer than was projected at the time their policies were issued, with the result that the insurer must continue paying out to the annuitants for longer than anticipated (and therefore longer than was reflected in the price of the annuity and in the liability established for one policy). Although the Issuer believes that its established provisions are adequate, due to the uncertainties associated with such provisions (in particular the risk of future life expectancy increasing at a faster rate than expected), there can be no assurance that its provisions will indeed be adequate and the Issuer expects more additions to its provisions on account of longevity risk will have to be made in future years. Should the provisions be insufficient, the Issuer's business could suffer significant losses that could have a material adverse effect on its business, revenues, results and financial condition. The Issuer's life insurance business is also exposed to mortality risk, especially in term life insurance and pension contracts where the surviving partner is the beneficiary. The mortality risk associated with the Issuer's life business has been partly reinsured in an effort to control the risk. The Issuer's general insurance business, especially its

income protection and disability products, is exposed to morbidity risk, in particular the risk that more policyholders than anticipated will suffer from long-term health impairments and the risk, in the case of income protection or waiver of premium benefits, that those who are eligible to make a claim do so for longer than anticipated (and therefore longer than was reflected in the price of the policies and in the liability established for the policies). Improvements in medical treatments that prolong life without restoring the ability to work could lead to these risks materialising.

Because the Issuer is exposed to failures in risk management systems, it could have a significant impact on the financial condition of the Issuer

Issuer invests substantial time and effort in its strategies and procedures for managing not only credit risk, but also other risks, such as strategic risk, market risk, liquidity risk, operational risk and conduct of business risk. These strategies and procedures could nonetheless fail or not be fully effective under some circumstances, particularly if the Issuer is confronted with risks that it has not fully or adequately identified or anticipated. Some of the methods of the Issuer for managing risk are based upon observations of historical market behaviour. Statistical techniques are applied to these observations in order to arrive at quantifications of some of the risk exposures of the Issuer. These statistical methods may not accurately quantify the risk exposure of the Issuer if circumstances arise which were not observed in its historical data. For example, as the Issuer thought its subsidiaries offers new products or services, the historical data may be incomplete or not accurate for such new insurance products or services. As the Issuer gains more experience it may need to make additional provisions. If circumstances arise which the Issuer did not identify, anticipate or correctly evaluate in developing its statistical models, its losses could be greater than the maximum losses envisaged by it. Furthermore, the quantifications do not take all risks or market conditions into account. If the measures used to assess and mitigate risk prove insufficient, the Issuer may experience unanticipated losses.

Because the Issuer is exposed to the risk of damage to any of its brands or its reputation it could have a significant impact on the financial condition of the Issuer

The Issuer's success and results are, to a certain extent, dependent on the strength of its brands and the Issuer's reputation. The Issuer and its products are vulnerable to adverse market perception as it operates in an industry where integrity, customer trust and confidence are paramount. The Issuer relies on its brands such as ZilverenKruis, FBTO, Centraal Beheer, Interpolis, Avéro Achmea, InShared and De Friesland Zorgverzekeraar. The Issuer is exposed to the risk that litigation (such as on mis-selling), employee misconduct, operational failures, the outcome of regulatory investigations, press speculation and negative publicity, amongst others, whether or not founded, could damage its brands or reputation. Any of the Issuer's brands or the Issuer's reputation could also be harmed if products or services recommended by the Issuer (or any of its subsidiaries) do not perform as expected (whether or not the expectations are founded) or the customer's expectations for the product change. Any damage to the Issuer's brands (or brands associated with the Issuer) or reputation could cause existing customers or intermediaries to withdraw their business from the Issuer and its subsidiaries and potential customers or intermediaries to be reluctant or elect not to do business with the Issuer. Furthermore, negative publicity could result in greater regulatory scrutiny and influence market or rating agencies' perception of the Issuer, which could make it more difficult for the Issuer to maintain its credit rating. Any damage to the Issuer's brands or reputation could cause disproportionate damage to the Issuer's business, even if the negative publicity is factually inaccurate or unfounded.

Because the Issuer is exposed to the risk of mis-selling claims from customers who feel misled or treated unfairly, it could have a significant impact on the financial condition of the Issuer

The Issuer' and its subsidiaries products are exposed to mis-selling claims. Mis-selling claims are claims from customers that they received misleading advice from advisers (internal and external) as to which products were most appropriate for them, or that the terms and conditions of the products, the nature of the products or

the circumstances under which the products were sold, were misrepresented to them. Products distributed through person-to-person sales forces have a higher exposure to mis-selling as the sales forces provide face-to-face financial planning and advisory services. Customers (whether they be individual or group customers) who feel that they have been misled have sought, and may in the future seek, redress for expectations that the advice or perceived misrepresentations created. They may also hold the insurance company accountable for the advice given by an intermediary, even though the insurance company has no control over the intermediary. Complaints may also arise in respect of any other aspect of the Issuer's business if customers feel that they have not been treated reasonably or fairly (whether or not this accurate or well founded) or that the Issuer has not complied with its duty of care. Furthermore, customers' views of what is fair and reasonable could change over time.

Because the Issuer may be dependent on dividend payments received from its subsidiaries it faces substantial risks that the Notes may not be redeemed

The Issuer is the holding company of the Group which essentially offers banking and insurance products and services. Substantially all of the operations of the Group are conducted through its subsidiaries. Notes issued by the Issuer under the Programme will not be guaranteed by any of the Issuer's subsidiaries. In order to fulfil its payment obligations under the Notes it issues, the Issuer may be dependent on dividend payments received from its subsidiaries. However in general, the claims of the creditors of the Issuer including holders of the Notes have no claims against the assets and earnings of the Group subsidiaries. Furthermore, the paying of dividend by regulated entities within the Group may be limited by applicable legislation or supervisory authorities.

In January 2017, the Dutch House of Representatives (*Tweede Kamer*) voted in favor of the proposed Act prohibiting profit distributions by health insurers ("**APPDH**", *Wet verbod op winstuitkering door zorgverzekeraars*). If also the Dutch Senate (*Eerste Kamer*) votes in favor of this proposal, the APPDH is adopted. If so, the APPDH is expected to come into force as of 1 January 2018.

The APPDH prohibits health insurers to distribute profits to its (i) shareholders, (ii) members, or (iii) employees. The APPDH, may have a negative impact on the solvency ratio of the Issuer because under the APPDH, its health insurance subsidiaries will not be allowed to distribute profits to Group entities. As a result of the fact that the initial APPDH leaves much room for various interpretations, Achmea cannot determine the impact - if any - on the solvency capital on group level. In the unlikely event that it would not be allowed for health insurers to distribute their full capital amount - including capital supplied by private entities and capital built-up by retained earnings in the past - the impact on the Group solvency ratio is estimated to be around 25 per cent. The APPDH may also negatively affect the financial results of the Issuer's health insurance subsidiaries, for instance because those subsidiaries may become increasingly dependent on external financing which has another cost structure.

A failure to accurately estimate inflation and factor it into the product pricing, expenses and liability valuations of the Issuer and/or any of its subsidiaries could have a material adverse effect on the Issuer's results of operations and financial condition

A failure to accurately estimate inflation and factor it into the product pricing and liability valuations of the Issuer and/or any of its subsidiaries with regard to future claims and expenses could result in systemic mispricing of long-term life and non-life insurance products resulting in underwriting losses, and in restatements of insurance liabilities, which could have a material adverse effect on the Issuer's results of operations and financial condition.

In the case of expenses, the most significant exposure to inflation risk of the Issuer and/or any of its subsidiaries is in its life insurance business in the Netherlands. With respect to claims, the most significant exposure to inflation risk of the Issuer and/or any of its subsidiaries is in its disability and accident insurance

policies written by the non-life insurance business in the Netherlands, and health insurance policies written by the health insurance business in the Netherlands.

A sustained increase in inflation may result in (a) claims inflation (which is an increase in the amount ultimately paid to settle claims several years after the policy coverage period or event giving rise to the claim) and expense inflation (which is an increase in the amount of expenses that are paid in the future), respectively, coupled with (b) an underestimation of corresponding reserves at the time of establishment due to a failure to fully anticipate increased inflation and its effect on the amounts ultimately payable, and, consequently, actual claims or expense payments that significantly exceed associated insurance reserves, which could have a material adverse effect on the Issuer's results of operations and financial condition. An increase in inflation may also require the Issuer and/or any of its subsidiaries to update its assumptions. Updates in assumptions within the life insurance business in the Netherlands would result in an immediate change in the present value of the claims or expenses, respectively, used to determine available regulatory capital in the Netherlands and would therefore have an immediate impact on available regulatory capital. Changes in assumptions could therefore have a material adverse effect on the Issuer's results of operations and financial condition.

The hedging programmes of the Issuer and/or any of its subsidiaries may prove inadequate or ineffective for the risks they address, which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects

The Issuer and its subsidiaries employ hedging programmes with the objective of mitigating risks inherent in its business and operations. These risks include current or future changes in the fair value of the assets and liabilities of the Issuer and/or any of its subsidiaries, current or future changes in cash flows, the effect of interest rates, equity markets and credit spread changes, the occurrence of credit defaults, and currency exchange fluctuations. As part of its risk management strategy, the Issuer and its subsidiaries employ hedging programmes to control these risks by entering into derivative financial instruments, such as swaps, options, futures and forward contracts.

Developing an effective strategy for dealing with the risks described above is complex, and no strategy can completely protect the Issuer and its subsidiaries from such risks. Each of the hedging programmes of the Issuer and its subsidiaries is based on financial market and customer behaviour models using, amongst others, statistics, observed historical market and customer behaviour, underlying fund performance, insurance policy terms and conditions, and the own judgment, expertise and experience of the Issuer and/or its subsidiaries. These models are complex and may not identify all exposures, may not accurately estimate the magnitude of identified exposures, or may not accurately determine the effectiveness of the hedge instruments, or fail to update hedge positions quickly enough to effectively respond to market movements. Furthermore, the effectiveness of these models depends on information regarding markets, customers, fund values, the insurance portfolio of the Issuer and/or its subsidiaries and other matters, each of which may not always be accurate, complete, up-to-date or properly evaluated. Hedging programmes also involve transaction and other costs, and if the Issuer and/or its subsidiaries terminate a hedging arrangement, it may be required to pay additional costs, such as transaction fees or breakage costs. The Issuer and/or its subsidiaries may incur losses on transactions after taking into account hedging strategies. Although the Issuer and its subsidiaries have developed policies and procedures to identify, monitor and manage risks associated with these hedging programmes, the hedging programmes may not be effective in mitigating the risk that they are intended to hedge, particularly during periods of financial market volatility.

Furthermore, the derivative counterparty in a hedging transaction may default on its obligations. Although it is the policy of the Issuer and its subsidiaries to fully collateralise derivative contracts, and differences in market value of the collateral are settled between the relevant parties on a daily basis, it is still exposed to counterparty risk. For instance, the Issuer and its subsidiaries are dependent on third parties for the daily calculation of the market values of the derivative collateral. If these third parties (mostly large institutions)

miscalculate the collateral required and the counterparty fails to fulfil its obligations under the derivative contract, it could result in unexpected losses, which could have a material adverse effect on the business, revenues, results of operations and financial condition of the Issuer. The inability to manage risks of the Issuer and/or its subsidiaries successfully through derivatives (including a single counterparty's default and the systemic risk that a default is transmitted from counterparty to counterparty) could have a material adverse effect on the Issuer's business, revenues, results of operations, financial condition and prospects.

The Issuer and/or its subsidiaries may not be able to protect its intellectual property rights, and may be subject to infringement claims by third parties, which may have a material adverse effect on the Issuer's business and results of operations

In the conduct of its business, the Issuer and its subsidiaries rely on a combination of contractual rights with third parties and copyright, trademark, trade name, patent and other intellectual property rights laws to establish and protect its intellectual property. Third parties may infringe or misappropriate the intellectual property of the Issuer and/or its subsidiaries. The Issuer and/or its subsidiaries may have to litigate to enforce and protect its copyrights, trademarks, trade names, patents, trade secrets and know-how or to determine their scope, validity or enforceability. In that event, the Issuer and/or its subsidiaries may be required to incur significant costs, and the efforts of the Issuer and/or its subsidiaries may not be successful. The inability to secure or protect intellectual property could have a material adverse effect on the business of the Issuer and/or its subsidiaries and their ability to compete. The Issuer and/or its subsidiaries may also be subject to claims by third parties for (a) infringement of intellectual property rights, (b) breach of copyright, trademark or licence usage rights, or (c) misappropriation of trade secrets. Any such claims and any resulting litigation could result in significant expense and liability for damages. If the Issuer and/or its subsidiaries were found to have infringed or misappropriated a third party patent or other intellectual property right, the Issuer and/or its subsidiaries may in some circumstances be enjoined from providing certain products or services to its customers or from utilising and benefiting from certain methods, processes, copyrights, trademarks, trade names, trade secrets or licences. Alternatively, the Issuer and/or its subsidiaries may be required to enter into costly licensing arrangements with third parties or to implement an alternative, which may prove costly. Any of these scenarios could have a material adverse effect on the Issuer's business and results of operations.

Factors which are material for the purpose of assessing the market risks associated with Instruments issued under the Programme

Instruments may not be a suitable investment for all investors

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Instruments, the merits and risks of investing in the relevant Instruments and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Instruments and the impact such investment 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 relevant Instruments, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Instruments and be familiar with the behaviour of any relevant indices and financial markets; and

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

Some Instruments are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Instruments which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Instruments will perform under changing conditions, the resulting effects on the value of such Instruments and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Instruments

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

Perpetual securities

The Instruments may be dated or undated Instruments. Undated instruments are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall only have the right to repay them under certain conditions. The Issuer is under no obligation to redeem undated Instruments at any time and the holders of such Instruments have no right to call for their redemption.

Instruments subject to optional redemption or substitution and variation by the Issuer

An optional redemption feature is likely to limit the market value of Instruments. During any period when the Issuer may elect to redeem Instruments, the market value of those Instruments generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Instruments for various reasons, when its cost of borrowing is lower than the interest rate on the Instruments. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Instruments being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

In the case of any substitution or variation of the terms of the Instruments, whilst the substituted or modified Instruments must have terms which are not materially less favourable to an investor than the terms of the original Instruments then prevailing, there can be no assurance that, due to the particular circumstances of each holder, such substituted or modified Instruments will be as favourable to each holder in all respects.

Rate of Interest reset for the Reset Notes

If specified in the relevant Final Terms, on the First Reset Note Reset Date and each Reset Note Reset Date thereafter, the rate of interest on the Reset Notes will be reset by reference to the then prevailing Mid-Market Swap Rate, and for a period equal to the Reset Period, as adjusted for any applicable margin, as more particularly described in “Terms and Conditions of the Notes — 5. Interest and other Calculations”. The reset of the rate of interest in accordance with such provisions may affect the secondary market and the market value of such Reset Notes and, following any such reset of the rate of interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest on the relevant Reset Notes may be lower than the Initial Rate of Interest, the First Reset Rate of Interest and/or the previous Subsequent Reset Rate of Interest, thereby reducing the amount of interest payable to Noteholders.

Inverse Floating Rate Instruments

Inverse Floating Rate Instruments have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Instruments typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Instruments are more volatile because an increase in the reference rate not only decreases the interest rate of the Instruments, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Instruments.

Fixed/Floating Rate Instruments

Fixed/Floating Rate Instruments may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Instruments since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Instruments may be less favourable than then prevailing spreads on comparable Floating Rate Instruments tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Instruments. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Instruments.

Instruments issued at a substantial discount or premium

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

The Issuer's obligations under Subordinated Instruments are subordinated

The Issuer's obligations under Subordinated Instruments will be unsecured and subordinated and will rank junior to the claims of unsubordinated creditors. Although Subordinated Instruments may pay a higher rate of interest than comparable Instruments which are not subordinated, there is a real risk that an investor in Subordinated Instruments will lose all or some of his investment should the Issuer become insolvent.

Bearer Notes where denominations involve integral multiples

In relation to any issue of Notes in bearer form which have denominations consisting of €100,000 (or its equivalent) plus one or more higher integral multiples of another smaller amount, it is possible that the Notes may be traded in amounts that are not integral multiples of €100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 (or its equivalent) in his account with the relevant clearing system at the relevant time will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its aggregate holding amounts to €100,000 (or its equivalent) in order to receive such a definitive Note.

If definitive Notes are issued, holders should be aware that definitive notes which have a denomination that is not an integral multiple of €100,000 (or its equivalent) may be illiquid and difficult to trade.

Risks related to Instruments generally

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

Modification and waivers

The Terms and Conditions of the Notes and the Terms and Conditions of the Capital Securities contain provisions for calling meetings of holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders including holders who did not attend and vote at the

relevant meeting and holders who voted in a manner contrary to the majority. The Terms and Conditions of the Notes and the Terms and Conditions of the Capital Securities also provide that the Fiscal Agent, in the case of Notes, or the Trustee, in the case of Capital Securities, may, without the consent of holders, agree to any modification of any of the provisions of the Agency Agreement and Trust Deed, respectively, or of any of the Terms and Conditions of the Notes and the Terms and Conditions of the Capital Securities, respectively, subject as described in the relevant terms and conditions.

Recovery, resolution and intervention

Reference is made to the paragraphs above which elaborate on resolution and recovery measures, the Dutch Intervention Act and the BRRD. Under those provisions, the Group may be subject to certain measures, which may include the expropriation of assets and liabilities, claims against, or securities issued by the Issuer, such as the Instruments. The application of each of those measures may have a negative impact on the profitability of the Group and therewith the return on investments in the Instruments. A consequence of the application of expropriation measures may be that the compensation paid for the Instruments will be low or even zero.

Change of law

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

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Instruments may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Instruments easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Instruments that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Instruments generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Instruments.

Exchange rate risks and exchange controls

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

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

Interest rate risks

Investments in Fixed Rate Instruments and Reset Notes involves the risk that changes in market interest rates after the issue date and, in the case of Reset Notes only, after the First Reset Note Reset Date or each Reset Note Reset Date (as applicable), may adversely affect the value of Fixed Rate Instruments and, as the case may be, Reset Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Instruments. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Instruments. 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.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Instruments are legal investments for it, (2) Instruments can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Instruments. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Instruments under any applicable risk-based capital or similar rules.

Additional Risk Factors in relation to the Subordinated Notes

Status

The Subordinated Notes constitute subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. In the event of the winding-up (*ontbinding en vereffening*), bankruptcy (*faillissement*), suspension of payments (*surseance van betaling*) or emergency measures (*noodmaatregelen*), the payment obligations of the Issuer under the Subordinated Notes shall rank in right of payment after unsubordinated unsecured creditors of the Issuer, and any set-off by a holder of a Subordinated Note shall be excluded until all obligations of the Issuer vis-à-vis its unsubordinated unsecured creditors have been satisfied, but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Notes and in priority to the claims of shareholders of the Issuer.

Deferral

Mandatory deferral

Payment of interest on the Subordinated Notes will be mandatorily deferred on each Mandatory Interest Deferral Date. See “Terms and Conditions of the Notes — 6. Deferral of Payments — Subordinated Notes - (b) Mandatory Deferral of Interest”.

Optional deferral

If so specified in the Final Terms, the Issuer may on any Optional Interest Payment Date defer payment of interest on the Subordinated Notes which would otherwise be payable on such date. See “Terms and Conditions of the Notes — 6. Deferral of Payments — Subordinated Notes - (a) Optional Deferral of Interest”.

Any deferral of interest payments could have an adverse effect on the market price of the relevant Notes. In addition, as a result of the interest deferral provision of the relevant Notes if that applies, the market price of the relevant Notes may be more volatile than the market prices of other debt securities on which original issue

discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Payments made under some more junior or equally ranking instruments will not result in an obligation for the Issuer to make payments on the Subordinated Notes

If so specified in the Final Terms, the Issuer may defer any payment of interest on any Optional Interest Payment Date. An Optional Interest Payment Date means, in respect of the relevant Subordinated Notes only, any Interest Payment Date where no dividend or other distribution has been irrevocably declared, paid or made on any class of the Issuer's share capital during the immediately preceding six months prior to such Interest Payment Date. Therefore, payments on any instruments ranking *pari passu* with the relevant Subordinated Notes or junior to the relevant Subordinated Notes will not result in an obligation for the Issuer to pay interest or Arrears of Interest on the relevant Subordinated Notes, save for certain payments or declarations in respect of any class of the Issuer's share capital.

Potential investors in the relevant Subordinated Notes should therefore realise that holders of instruments ranking junior to or *pari passu* with the relevant Subordinated Notes may receive payments from the relevant Issuer in priority to the relevant Subordinated Noteholders, even though their claims rank junior to or *pari passu* with those of relevant Subordinated Noteholders. However, in the event of the winding-up (*ontbinding en vereffening*), bankruptcy (*faillissement*), suspension of payments (*surseance van betaling*) or emergency measures (*noodmaatregelen*), the payment obligations of the Issuer under the relevant Subordinated Notes and Coupons relating to them shall rank as described above under "Additional Risks Factors in relation to the Subordinated Notes — Status".

Redemption, substitution or variation risk

Upon the occurrence of certain specified regulatory or rating events, the Subordinated Notes may be redeemed at their early redemption amount, or substituted or varied, in each case subject as provided in "Terms and Conditions of the Notes – 7. Redemption, Substitution, Variation, Purchases and Options".

Also see "*Instruments subject to optional redemption or substitution and variation by the Issuer*" above.

Conditions to payment

So long as the Issuer is subject to Capital Adequacy Regulations, any redemption, substitution, variation or purchase of Subordinated Notes is subject to conditions, including inter alia prior consent from the Regulator if required under the Capital Adequacy Regulations. See "Terms and Conditions of the Notes — 7. Redemption, Substitution, Variation, Purchases and Options — (b) Conditions to Redemption, Substitution, Variation or Purchase".

Solvency II Directive – Risk of adverse impact on Issuer's regulatory solvency condition.

The Subordinated Notes are expected to qualify as additional solvency margin for capital adequacy regulatory purposes pursuant to the Dutch Financial Supervision Act. The Solvency II Directive provides for a new capital adequacy regime for insurance companies as further described above in "*Because each of the Issuer and the Group operates in a highly regulated industry, changes in statutes, regulations and regulatory policies that govern activities in its various business lines could have an effect on its operations and its net profits*". The Solvency II Directive has been implemented in the Dutch Financial Supervision Act and applies to insurance companies from 1 January 2016. On 10 October 2014, the European Commission adopted Commission Delegated Regulation (EU) 2015/35 (the "**Solvency II Delegated Regulation**") containing implementing rules for Solvency II. The Solvency II Delegated Regulation entered into force in Member States on 17 January 2015, and may be amended from time to time. Furthermore, the Solvency II framework

consists of a substantial number of implementing technical standards. Also these may change from time to time and new standards may be introduced.

Furthermore, the capital adequacy requirements for the Group may be subject to further changes. Any changes in capital adequacy requirements could result in a higher overall valuation of liabilities or capital requirements, or a lower overall recognition of own funds than is currently the case or may currently be foreseen. This could result in the occurrence of a Capital Adequacy Event following which a Mandatory Deferral Event would occur and then no principal, premium, interest or any other amount would be due and payable in respect of or arising from the Subordinated Notes.

Additional Risk Factors in relation to the Capital Securities

Conditions to payment

Payments on the Capital Securities will be made only if the Issuer is Solvent or not subject to a Regulatory Event, as applicable, and could make such payment and still be Solvent or still not be subject to a Regulatory Event, as applicable, immediately thereafter. See “Terms and Conditions of the Capital Securities — 2. Status — (b)(i) Conditions to Payment by the Issuer so long as the Issuer is subject to Capital Adequacy Regulations and (b)(ii) Conditions to Payment by the Issuer after the Issuer has ceased to be subject to Capital Adequacy Regulations”.

Deferral

Mandatory deferral

Upon the occurrence of the Mandatory Deferral Condition and during the period such Mandatory Deferral Condition is continuing, the Issuer will defer Payments (such term does not include principal) on the Capital Securities for any period of time. Any Payments so deferred will not accrue interest. See “Terms and Conditions of the Capital Securities — 4. Deferrals — (a) Mandatory Deferral of Payments”.

Optional deferral

The Issuer may at its discretion elect to defer any Payment (such term does not include principal) on the Capital Securities for any period of time subject to suspension of payment on Junior Securities and Parity Securities. Any payment deferred pursuant to the Issuer’s optional right to defer will bear interest at the Coupon Rate. See “Terms and Conditions of the Capital Securities — 4. Deferrals — (b) Optional Deferral of Payments”.

Perpetual securities

The Issuer is under no obligation to redeem the Capital Securities at any time and the Holders have no right to call for their redemption.

Status, Subordination and Ranking

The Capital Securities constitute direct, unsecured, subordinated securities of the Issuer and rank *pari passu* without any preference among themselves. The rights and claims of the Holders under the Capital Securities are subordinated to the claims of Senior Creditors of the Issuer, present and future. On a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer the Capital Securities will rank in priority to distributions on all classes of share capital of the Issuer and *pari passu* with each other and among themselves, but junior to and thus be subordinated in right of payment to the Senior Creditors of the Issuer, present and future, and save for the following. If on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer there is outstanding any class of Preference Shares of the Issuer which, under the then effective

articles of association of the Issuer, ranks more senior than any other class of Preference Shares of the Issuer, the Capital Securities will, on such winding-up, effectively from a financial point of view, rank *pari passu* with that most senior class of Preference Shares of the Issuer, except where the Existing Preference Shares are (or were prior to their redemption) included in that most senior class, in which case the preceding sentence applies.

“Senior Creditors” in relation to the Capital Securities means creditors of the Issuer:

- (i) who are unsubordinated creditors of the Issuer; or
- (ii) whose claims are, or are expressed to be, subordinated (whether only in the event of the winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer but not further or otherwise; or
- (iii) who are subordinated creditors of the Issuer other than those whose claims are, or are expressed to rank, *pari passu* with, or junior to, the claims of the Holders.

In certain circumstances part of the principal amount of the Capital Securities will, on a winding-up, effectively from a financial point of view, rank *pari passu* with the most *junior* class of Preference Shares of the Issuer.

Redemption, conversion, exchange, substitution or variation risk

Upon the occurrence of certain specified tax, regulatory, accounting or substitution events, or the exercise of an issuer call, the Capital Securities may be redeemed at their principal amount (and a make whole premium under certain circumstances) together with any Outstanding Payments (as defined in “Terms and Conditions of the Capital Securities – 19. Definitions”), or converted, exchanged, substituted or varied, in each case subject as provided in “Terms and Conditions of the Capital Securities – 7. Redemption, Conversion, Exchange, Substitution or Variation and Purchases”.

No limitation on issuing debt

There is no restriction on the amount of debt which the Issuer may issue which ranks senior to the Capital Securities or *pari passu* with the Capital Securities. The issue of any such debt or securities may reduce the amount recoverable by Holders on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer or may increase the likelihood of a deferral of Payments under the Capital Securities.

Market Disruption Event

If, in the event the Alternative Coupon Satisfaction Mechanism is applied, in the opinion of the Issuer a Market Disruption Event exists, the payment to Holders may be deferred until the cessation of such market disruption, as more particularly described in “Terms and Conditions of the Capital Securities — 6. Alternative Coupon Satisfaction Mechanism — (d) Market Disruption”. Any such deferred payments shall bear interest at the Coupon Rate if the Market Disruption Event continues for 14 days or more.

Restricted remedy for non-payment when due

The sole remedy against the Issuer available to the Trustee or any Holder for recovery of amounts owing in respect of any Payment or principal in respect of the Capital Securities will be the institution of proceedings in the Netherlands for the bankruptcy (*faillissement*) of the Issuer and/or proving (*indienen ter verificatie*) in such bankruptcy.

Set-off

Subject to applicable law, no Holder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Capital Securities and each Holder shall, by virtue of being the bearer of any Capital Security, be deemed to have waived all such rights of set-off.

OVERVIEW OF THE PROGRAMME

The following overview is qualified in its entirety by the remainder of this Base Prospectus.

Issuer:	<p>Achmea B.V.</p> <p>Achmea B.V. was incorporated by deed of incorporation on 30 December 1991. Achmea B.V. is a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>) incorporated under Dutch law with its corporate seat (<i>statutaire zetel</i>) in Zeist. The registered office of Achmea B.V. is Handelsweg 2, 3707 NH Zeist, telephone number +31 (0)30 693 7000. Achmea B.V. is registered with the Trade Register of the Dutch Chamber of Commerce under registration number 33235189.</p> <p>Achmea B.V. is a privately owned holding company of a financial services group, whose core business is primarily insurance.</p>
Description:	Programme for the Issuance of Debt Instruments
Instruments:	Instruments means Notes and Capital Securities, unless the context requires otherwise.
Size:	Up to €5,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Instruments outstanding at any one time.
Arranger:	The Royal Bank of Scotland plc (trading as Natwest Markets)
Dealer:	<p>The Royal Bank of Scotland plc (trading as Natwest Markets)</p> <p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p>
Trustee:	Amsterdamsch Trustee’s Kantoor B.V.
Fiscal Agent:	ABN AMRO Bank N.V.

Method of Issue:

The Instruments will be issued on a syndicated or non-syndicated basis. The Instruments will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Instruments of each Series being intended to be interchangeable with all other Instruments of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the “Final Terms”).

Issue Price:

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Form of Instruments:

The Notes may be issued in bearer form only (“Bearer Notes”) or in registered form only (“Registered Notes”). Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “– Selling Restrictions” below), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “Global Certificates”.

The Capital Securities may be issued in bearer form only. Each Tranche of Capital Securities will be represented on issue by a permanent Global Security or by a temporary Global Security which is exchangeable for a permanent Global Security. Unless specified otherwise in the Final Terms the permanent Global Security will not be exchangeable for definitive Capital Securities.

Clearing Systems:

Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer, which in the case of Capital Securities only may include Euroclear Nederland.

Initial Delivery of Instruments:

On or before the issue date for each Tranche, if the relevant Global Instrument is a NGN or the relevant Global Certificate is held under the NSS, the Global Instrument or the Global

Certificate will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Global Instrument is a CGN or the relevant Global Certificate is not held under the NSS, the Global Instrument representing Bearer Notes or Capital Securities or the Global Certificate representing Registered Notes may (or, in the case of Notes listed on the regulated market of the Irish Stock Exchange, shall) be deposited with (i) a common depository for Euroclear and Clearstream, Luxembourg or (ii) in the case of Capital Securities only, Euroclear Nederland. Global Instruments or Global Certificates relating to Instruments that are not listed on the regulated market of the Irish Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

Currencies: Subject to compliance with all relevant laws, regulations and directives, Instruments may be issued in any currency agreed between the Issuer and the relevant Dealers.

Maturities: Subject to compliance with all relevant laws, regulations and directives, any maturity. The Issuer may also issue Instruments with no specified maturity (undated or perpetual Instruments).

Specified Denomination: Definitive Instruments will be in such denominations as may be specified in the relevant Final Terms save that (i) in the case of any Instruments which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Instruments) and (ii) unless otherwise permitted by then current laws and regulations, Instruments (including Instruments denominated in Sterling) which have a maturity of less than one year will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Interest: Instruments may be interest-bearing or non-interest-bearing. Details on interest rates, periods, dates and calculations will be specified in the relevant Final Terms. Also see the Terms and Conditions of the Notes and the Terms and Conditions of the Capital Securities.

Redemption: Unless permitted by then current laws and regulations, Instruments (including Instruments denominated in Sterling)

which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

Optional Redemption:

The Final Terms issued in respect of each issue of Instruments will state whether such Instruments may be redeemed prior to their stated maturity (or, in the case of undated Instruments, in which circumstances) at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.

Status of Instruments:

Senior Notes will constitute unsubordinated and unsecured obligations of the Issuer and Subordinated Notes and the Capital Securities will constitute subordinated obligations of the Issuer, all as described in “Terms and Conditions of the Notes – Status” and “Terms and Conditions of the Capital Securities – Status”.

Interest Deferral – Senior Notes:

There are no interest deferral provisions with respect to the Senior Notes.

Mandatory Interest Deferral – Subordinated Notes:

The Issuer is required to defer any payment of interest on Subordinated Notes on each Mandatory Interest Deferral Date (being an Interest Payment Date in respect of which a Mandatory Deferral Event has occurred and is continuing). Also see the Terms and Conditions of the Notes.

Optional Interest Deferral – Subordinated Notes:

If so specified in the Final Terms, the Issuer may on any Optional Interest Payment Date defer payments of interest on the Subordinated Notes which would otherwise be payable on such date. Also see the Terms and Conditions of the Notes.

Interest Deferral – Capital Securities

See “Terms and Conditions of the Capital Securities – Deferral of Payments”.

Negative Pledge:

See “Terms and Conditions of the Notes – Negative Pledge”.

Cross Default:

See “Terms and Conditions of the Notes – Events of Default”.

Ratings:

Tranches of Instruments will be rated or unrated. Where a Tranche of Instruments is to be rated, such rating will be specified in the relevant Final Terms.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Early Redemption:	Except as provided in “– Optional Redemption” above, Notes will – in the case of Subordinated Notes and so long as the Issuer is subject to Capital Adequacy Regulations only with prior consent from the Regulator if required under the Capital Adequacy Regulations – be redeemable at the option of the Issuer prior to maturity only for tax reasons and, in the case of Subordinated Notes, also for regulatory or rating reasons. See “Terms and Conditions of the Notes – Redemption, Substitution, Variation, Purchase and Options”. For the Capital Securities see “Terms and Conditions of the Capital Securities – Redemption, Substitution or Variation and Purchase”.
Withholding Tax:	All payments of principal and interest in respect of the Instruments will be made free and clear of withholding taxes of the Netherlands, subject to customary exceptions, all as described in “Terms and Conditions of the Notes – Taxation” and “Terms and Conditions of the Capital Securities – Taxation”.
Governing Law:	Dutch law.
Listing and Admission to Trading:	Application has been made to the Irish Stock Exchange for the Instruments issued under the Programme to be admitted to the Official List and trading on its regulated market or as otherwise specified in the relevant Final Terms and references to listing shall be construed accordingly. As specified in the relevant Final Terms, a Series of Instruments may be unlisted.
Redenomination, Renominalisation and/or Consolidation:	Instruments denominated in a currency of a country that subsequently participates in the third stage of European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Instruments then denominated in euro. The provisions applicable to any such redenomination, renominalisation and/or consolidation will be as specified in the relevant Final Terms.
Selling Restrictions:	<p>The United States, the Public Offer Selling Restriction (in respect of Instruments having a specified denomination of less than €100,000 or its equivalent in any other currency as at the date of issue of the Notes), the United Kingdom, the Netherlands, Japan, Hong Kong, Singapore and Switzerland. See “Subscription and Sale”.</p> <p>The Issuer is Category 1 for the purposes of Regulation S under the Securities Act, as amended.</p>

The Instruments will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “D Rules”) unless (i) the relevant Final Terms states that Instruments are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “C Rules”) or (ii) the Instruments are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Instruments will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series, as well as to such Global Note(s) except as set out in “Summary of Provisions relating to the Instruments while in Global Form”. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued pursuant to an amended and restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 14 July 2017 between the Issuer, ABN AMRO Bank N.V. as fiscal agent and the other agents named in it. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Registrar**”, the “**Transfer Agents**” and the “**Calculation Agent(s)**”. The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects.

Copies of the Agency Agreement are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a Prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

This Note is a Fixed Rate Note, a Reset Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by notification of the transfer to the Registrar or any Transfer Agent, acting on the Issuer’s behalf, which will be registered in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent

jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. Such notification to the Registrar or any Transfer Agent, acting on behalf of the Issuer, shall be deemed to constitute notice (*mededeling*) of the transfer to the Issuer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 7(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and

as specified in the form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (e) **Transfer Free of Charge:** Transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 7(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3 Status

- (a) **Status of Senior Notes:** The Senior Notes (being those Notes that specify their status as Senior) and the Coupons relating to them constitute (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.
- (b) **Status of Subordinated Notes:** The Subordinated Notes and the Coupons relating to them constitute subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. In the event of the winding-up (*ontbinding en vereffening*), bankruptcy (*faillissement*) or suspension of payments (*surseance van betaling*) of the Issuer or emergency measures (*noodmaatregelen*) as modified or re-enacted from time to time as referred to in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) being applied to the Issuer, the payment obligations of the Issuer under the Subordinated Notes and the Coupons relating to them shall rank in right of payment after unsubordinated unsecured creditors of the Issuer, and in such event payment to and any set-off by a holder of a Subordinated Note shall be excluded until all obligations of the Issuer vis-à-vis its unsubordinated unsecured creditors have been satisfied, but at least *pari passu* with all other subordinated obligations of the Issuer that do not rank or are not expressed by their terms to rank junior to the Subordinated Notes and in priority to the claims of shareholders of the Issuer.

4 Negative Pledge

- (a) **Restriction:** So long as any of the Senior Notes or Coupons remain outstanding (as defined in the Agency Agreement):
 - (i) the Issuer shall not (and shall procure that no other member of the Group will) create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any part of its undertaking, assets or revenues present or

future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt;

- (ii) the Issuer shall procure that no other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues present or future of that other person to secure (x) any of the Issuer's Relevant Debt, or any guarantee of or indemnity in respect of any of the Issuer's Relevant Debt or (y) where the person in question is a Subsidiary of the Issuer, any of the Relevant Debt of any person other than that Subsidiary, or any guarantee of or indemnity in respect of any such Relevant Debt; and
- (iii) the Issuer shall procure that no other person gives any guarantee of, or indemnity in respect of, any of its Relevant Debt,

unless, at the same time or prior thereto, the Issuer's obligations under the Senior Notes and Coupons (A) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Senior Noteholders.

- (b) **Relevant Debt:** For the purposes of this Condition, "**Relevant Debt**" means any present or future loan or other indebtedness (whether or not in the form of, or represented by, bonds, notes, debentures, loan stock or other securities) having a maturity (whether original or after extension) of more than two years.
- (c) **Exception:** The foregoing shall not apply to (a) security created over any shares in, any assets of, or any securities owned by any Subsidiaries which are not licenced to do insurance business (including for the avoidance of doubt, security created by Achmea Bank N.V. under its Secured Debt Issuance Programme and its Achmea Covered Bond Programme, the securitisations DMPL IX to DMPL XII, SGML II, and DRMP I and DRMP II and any similar future financing transactions by any Subsidiaries which are not licenced to do insurance business), (b) repo-transactions, (c) security created in the normal course of the relevant business carried on in a manner consistent with generally accepted practice for such business, (d) security or preference arising by operation of any law, (e) security over real property to secure borrowings to finance the purchase or improvement of such real property, (f) security over assets existing at the time of acquisition thereof, and (g) security not otherwise permitted by the foregoing clauses securing borrowed moneys in an aggregate principal amount (when aggregated with the principal amount of any other indebtedness which has the benefit of security given by any member of the Group other than any permitted under paragraphs (a) to (f) above) not to exceed 20 per cent. of the aggregate of the Group's shareholders' equity and capital securities at the relevant time.
- (d) In these Terms and Conditions, "**Subsidiary**" means any corporation, partnership or other business entity of which more than 50 per cent. of the shares or other equity interests (as the case may be) carrying the right to vote are, directly or indirectly, owned by the Issuer; "**Material Subsidiary**" means Achmea Schadeverzekeringen NV, Achmea Zorgverzekeringen NV, Achmea Pensioen- en Levensverzekeringen N.V., Achmea Bank N.V., Zilveren Kruis Zorgverzekeringen N.V., and any other Subsidiary which has net earned premiums, operating income from banking activity and other income (as specified in the latest relevant audited financial statements) in aggregate representing 10 per cent. or more of the consolidated aggregate net earned premiums, operating income from banking activity and other income (as specified in the latest relevant audited financial statements) of the Group; and "**Group**" means the Issuer and its Subsidiaries from time to time.

5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Subject, in the case of Subordinated Notes (as defined below), to Condition 6, each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g).
- (b) Subject, in the case of Subordinated Notes (as defined below), to Condition 6, each Reset Note bears interest on its outstanding nominal amount:
- (i) from (and including) the Issue Date until (but excluding) the First Reset Note Reset Date at the Initial Rate of Interest;
 - (ii) from (and including) the First Reset Note Reset Date until (but excluding) the first Anniversary Date at the First Reset Rate of Interest; and
 - (iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g).

(c) **Interest on Floating Rate Notes:**

- (i) *Interest Payment Dates:* Subject, in the case of Subordinated Notes (as defined below), to Condition 6, each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the

provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (y) if the Relevant Screen Page is not available or, if sub-paragraph (B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if

the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Linear Interpolation

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified to be applicable in the relevant Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified to be applicable in the relevant Final

Terms), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

- (d) **Zero Coupon Notes:** Zero Coupon Notes will be issued at a discount to their nominal amount and interest thereon does not become due and payable during their term but only at maturity, save for the following. Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 7(b)(i)).
- (e) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 9).
- (f) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding:**
 - (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph
 - (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.
- (g) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest

Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 11, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (i) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Anniversary Date**” means the date specified hereon

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the TARGET system is operating (a “**TARGET Business Day**”) and/or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual - ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/365 (Sterling)**” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ Y_1 ” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“ Y_2 ” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“ M_1 ” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“ M_2 ” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“ D_1 ” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

“ D_2 ” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vii) if “**30E/360 (ISDA)**” is specified hereon the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

- (viii) if “**Actual/Actual-ICMA**” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in

such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

“**First Reset Note Reset Date**” means the date specified hereon

“**First Reset Period**” means the period from (and including) the First Reset Note Reset Date until (but excluding) the first Anniversary Date

“**First Reset Rate of Interest**” means the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the Mid-Swap Rate plus the Reset Margin

“**Initial Rate of Interest**” means the initial rate of interest per annum specified hereon

“**Interest Accrual Period**” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date

“**Interest Amount**” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes and Reset Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified hereon

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro

“**Interest Period**” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, unless otherwise specified hereon

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified hereon

“**ISDAFIX Rate**” means “ISDAFIX1”, “ISDAFIX2”, “ISDAFIX3”, “ISDAFIX4”, “ISDAFIX5” or “ISDAFIX6” as may be specified hereon

“**ISDA Definitions**” means the 2006 ISDA Definitions as amended or supplemented, as published by the International Swaps and Derivatives Association, Inc.

“**Mid-Market Swap Rate**” means the mid-market swap rate specified hereon

“**Mid-Swap Rate**” means the Mid-Market Swap Rate for the Specified Currency calculated for a period equal to the relevant Reset Period at the Reuters Screen Page Rates at 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date

“**Rate of Interest**” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon

“**Reference Banks**” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon

“**Reference Rate**” means the rate specified as such hereon

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of such particular information service)

“**Reset Determination Date**” means, in respect of the First Reset Period, the second Business Day prior to the First Reset Note Reset Date and, in respect of each Reset Period thereafter, the second Business Day prior to the first day of each such Reset Period

“**Reset Margin**” means the margin specified as such hereon

“**Reset Note Reset Date**” means every date which falls on each Anniversary Date as may be specified hereon

“**Reset Period**” means the First Reset Period or a Subsequent Reset Period

“**Reuters Screen Page Rates**” means the relevant ISDAFIX Rate for the Specified Currency for transactions with a maturity equal to the relevant Reset Period which are displayed on the Reuters screen page (or such other page as may replace that page on Reuters, or such other service as may be nominated by the person providing or sponsoring the information appearing there for the purposes of displaying comparable rates)

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated

“**Subsequent Reset Period**” means each successive period from (and including) a Reset Note Reset Date to (but excluding) the next succeeding Reset Note Reset Date

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period, the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the Mid-Swap Rate plus the Reset Margin

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

- (j) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 Deferral of Payments – Subordinated Notes

(a) *Optional Deferral of Interest*

If so specified hereon, the Issuer may elect in respect of any Optional Interest Payment Date to defer payment of all (but not some only) of the interest on the Subordinated Notes accrued to that date and the Issuer shall not have any obligation to make such payment on that date.

The deferral of any interest payment on any Optional Interest Payment Date in accordance with this Condition 6(a) will not constitute a default by the Issuer and will not give the holders of Subordinated Notes or the Coupons relating to them any right to accelerate the Subordinated Notes. The Issuer shall notify the holders of Subordinated Notes as soon as practicable (and in any event within 14 days) prior to any Optional Interest Payment Date in respect of which payment is deferred, of the amount of such payment otherwise due on that date and the grounds upon which such deferral has been made (the “**Deferral Notice**”). Subject to Condition 6(c), the Issuer may defer paying interest on each Optional Interest Payment Date until the Maturity Date or any earlier date on which the Subordinated Notes are redeemed in full.

(b) *Mandatory Deferral of Interest*

In addition to the right of the Issuer to defer payment of interest in accordance with Condition 6(a) if so specified hereon, payments of interest on the Subordinated Notes will be mandatorily deferred on each Mandatory Interest Deferral Date and the Issuer shall not have any obligation to make such payment on that date.

The deferral of any interest payment on a Mandatory Interest Deferral Date in accordance with this Condition 6(b) will not constitute a default by the Issuer and will not give the holders of the Subordinated Notes or the Coupons relating to them any right to accelerate the Subordinated Notes. The Issuer shall notify the holders of Subordinated Notes within 14 days prior to any Mandatory

Interest Deferral Date in respect of which payment is deferred (or as soon as practicable after such fourteenth day), of the amount of such payment otherwise due on that date and specifying that a Mandatory Deferral Event has occurred and is continuing, or would occur if payment of interest on the Subordinated Notes were to be made (whether in whole or in part) (the “**Deferral Notice**”).

A certificate from two members of the Executive Board of the Issuer confirming that (a) a Mandatory Deferral Event has occurred and is continuing, or would occur if payment of interest on the Subordinated Notes were to be made (whether in whole or in part) or (b) a Mandatory Deferral Event has ceased to occur and/or payment of interest on the Subordinated Notes would not result in a Mandatory Deferral Event occurring, shall, in the absence of manifest error, be treated and accepted by the holders of the Subordinated Notes and the Coupons relating to them and all other interested parties as correct and sufficient evidence thereof.

(c) *Arrears of Interest*

Any interest in respect of the Subordinated Notes not paid on any Interest Payment Date, together with any other interest in respect thereof not paid on any earlier Interest Payment Date, in each case by virtue of Condition 6(a) or 6(b), shall, so long as the same remains unpaid, constitute “**Arrears of Interest**”. Arrears of Interest shall, except as otherwise specified hereon, bear interest (to the extent permitted by applicable law) at the applicable rate of interest from (and including) the date on which (but for such deferral) the deferred payment would otherwise have been due to be made to (but excluding) the relevant date on which the relevant deferred payment is in fact made.

Any Arrears of Interest and any other amount, payment of which is deferred in accordance with Condition 6(a) or 6(b), may be paid in whole or in part at any time upon the expiry of not less than 14 days’ notice to such effect given by the Issuer to the holders of the Subordinated Notes in accordance with Condition 15 (the “**Deferred Interest Payment Date**”), provided that the following conditions are met:

- (a) no Mandatory Deferral Event has occurred and is continuing; and
- (b) any notifications to the Regulator have been made or consent from the Regulator has been obtained, as the case may be, in either case if required under the Capital Adequacy Regulations;

and in any event will be automatically become immediately due and payable in whole (and not in part) upon whichever is the earlier of the following dates:

- (i) the date fixed for any redemption, purchase or substitution, or variation of the terms, of the Subordinated Notes by or on behalf of the Issuer pursuant to Condition 7 or Condition 11(a);
- (ii) the date on which an order is made or a resolution is passed for the winding-up of the Issuer (other than a solvent winding-up solely for the purpose of a reconstruction or amalgamation or the substitution in place of the Issuer of a successor in business of the Issuer, the terms of which reconstruction, amalgamation or substitution (i) have previously been approved in writing by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders and (ii) do not provide that the Subordinated Notes shall thereby become payable);
- (iii) the date on which a Compulsory Interest Payment Event occurs, provided that no Mandatory Deferral Event has occurred and is continuing; or
- (iv) the next Interest Payment Date which is not a Mandatory Interest Deferral Date,

in the case of paragraph (i), (iii) and (iv) above, provided that any notifications to the Regulator have been made or consent from the Regulator has been obtained, as the case may be, in either case if required under the Capital Adequacy Regulations.

Notwithstanding the foregoing, if notice is given by the Issuer of its intention to pay the whole or part of Arrears of Interest and any other amount in respect of or arising under such Subordinated Notes, the Issuer shall be obliged to do so upon expiration of such notice. Where Arrears of Interest are paid in part, each part payment shall be applied in payment of the Arrears of Interest accrued due in respect of the relative Interest Payment Date (or consecutive Interest Payment Dates) furthest from the date of payment.

(d) No default

Notwithstanding any other provision in these Conditions, any payment which for the time being is not made on Subordinated Notes by virtue of Condition 6(a) or 6(b), as appropriate, shall not constitute a default for any purpose (including, but without limitation, Condition 11) on the part of the Issuer. Unless specified otherwise in the Final Terms, Arrears of Interest and any other amount, payment of which is so deferred, shall bear interest at the applicable Rate of Interest from (and including) the date on which (but for such deferral) the deferred payment would otherwise have been due to be made (but excluding) the relevant date on which the relevant deferred payment is satisfied.

(e) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

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

“**Capital Adequacy Event**” means that (i) the amount of eligible ‘own fund-items’ (or any equivalent terminology employed by the then applicable Capital Adequacy Regulations) of the Issuer on a consolidated basis to cover the Solvency Capital Requirement or the Minimum Capital Requirement of the Issuer is, or as a result of a Payment would become, not sufficient to cover such Solvency Capital Requirement or Minimum Capital Requirement; or (ii) (if required or applicable in order for the Subordinated Notes to qualify as regulatory capital of the Issuer on a consolidated basis under the Capital Adequacy Regulations from time to time) the Regulator has notified the Issuer that it has determined, in view of the financial and/or solvency condition of the Issuer on a consolidated basis, that in accordance with the Capital Adequacy Regulations at such time the Issuer must take specified action in relation to deferral of payments of principal and/or interest under the Subordinated Notes;

“**Capital Adequacy Regulations**” means at any time the statutory regulations, requirements, guidelines, policies, decrees as applied and enforced by the Regulator imposing obligations on the Issuer with respect to the maintenance of minimum levels of solvency margins and/or capital adequacy ratios and/or comparable margins or ratios (howsoever described at the time), as well as regarding the supervision thereof by any Regulator, including any regulations under Solvency II;

“**Compulsory Interest Payment Date**” means any Interest Payment Date in respect of which (a) during the immediately preceding six months a Compulsory Interest Payment Event has occurred, (b) which is not a Mandatory Interest Deferral Date and (c) on which the Solvency Condition is satisfied;

“**Compulsory Interest Payment Event**” means:

(i) any declaration, payment or making of a dividend or other distribution on any class of the Issuer's share capital;

(ii) any repurchase by the Issuer of any of its shares for cash, provided such repurchase is not made in the ordinary course of business of the Issuer in connection with any share option scheme, share ownership scheme, or any other share scheme or share plan for management or employees of the Issuer or management or employees of affiliates of the Issuer;

(save in any such case where the terms of such securities or share capital do not enable the Issuer or relevant other person to defer, pass on or eliminate an interest payment, dividend or other distribution and except a redemption required to be effected under the terms of such securities);

“**Group**” means the Issuer and its subsidiaries;

“**insurance undertaking**” has the meaning given to it in the Solvency II Directive;

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

“**Mandatory Deferral Event**” means:

- (a) the Solvency Condition is not met; or
- (b) a Capital Adequacy Event has occurred and continues to exist and a deferral of interest and/or a suspension of payment of principal, as applicable, is required under the Capital Adequacy Regulations for the Subordinated Notes to qualify for the purposes of determination of the solvency margin, capital adequacy ratio or comparable margins or ratios of the Issuer, or, where this is subdivided in tiers, as tier 2 basic own funds (howsoever described at the time), on a consolidated basis,

provided, however, that the occurrence of (b) above will not constitute a Mandatory Deferral Event:

- (A) in respect of payments of interest or Arrears of Interest, if:
 - (i) the Regulator has exceptionally waived the deferral of such interest payment and/or payment of Arrears of Interest;
 - (ii) paying the interest payment and/or Arrears of Interest does not further weaken the solvency position of the Issuer as determined in accordance with the Capital Adequacy Regulations; and
 - (iii) the Minimum Capital Requirement will be complied with immediately after the interest payment and/or payment of Arrears of Interest is made;
- (B) in respect of payments of principal, if:
 - (i) the Regulator has exceptionally waived the deferral of such principal payment;
 - (ii) the Subordinated Notes are exchanged for or converted into another tier 1 or tier 2 basic own-fund of at least the same quality;
 - (iii) the Minimum Capital Requirement will be complied with immediately after the principal payment is made;

“**Mandatory Interest Deferral Date**” means any Interest Payment Date in respect of which a Mandatory Deferral Event has occurred and is continuing;

“**Minimum Capital Requirement**” means, when method 1 is applied, the consolidated group Solvency Capital Requirement as referred to in the second subparagraph of article 230(2) of the Solvency II Directive or, in the case a combination of method 1 and 2 is used, the minimum consolidated group Solvency Capital Requirement as referred to in article 341 of the Solvency II Delegated Regulation (or any equivalent terminology employed by the then applicable Capital Adequacy Regulations);

“**Optional Interest Payment Date**” means any Interest Payment Date other than a Compulsory Interest Payment Date or a Mandatory Interest Deferral Date;

“**Payment**” means any coupon payment or any Arrears of Interest or other accrued interest which is due and payable in respect of the Subordinated Notes;

“**Regulator**” means any existing or future regulator having primary supervisory authority with respect to the Issuer and/or the Group or the Issuer as if it were the ultimate parent undertaking in an EU regulated financial group or financial conglomerate;

“**Solvency Capital Requirement**” means the consolidated Solvency Capital Requirement as referred to in Solvency II (or any equivalent terminology employed by the then applicable Capital Adequacy Regulations);

“**Solvency II**” means the Solvency II Directive and any implementing measures adopted pursuant to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of regulation or by further directives or otherwise, and including any implementing measures by national legislators or the Regulator), as amended from time to time;

“**Solvency II Delegated Regulation**” means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing the Solvency II Directive, as amended from time to time;

“**Solvency II Directive**” means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II) and the implementing measures by the European Commission thereunder, as amended;

the “**Solvency Condition**” is not satisfied if the Issuer determines that it is not or, on the relevant date on which a payment would be made after taking into account amounts payable on that date on the Subordinated Notes will not be, Solvent;

“**Solvent**” means that the Issuer (a) is able to pay its debts to its unsubordinated and unsecured creditors as they fall due and (b) has Assets that exceed its Liabilities (other than its Liabilities to persons who are not unsubordinated and unsecured creditors).

7 Redemption, Substitution, Variation, Purchase and Options

- (a) **Final Redemption:** The Notes are dated or undated instruments, as specified in the Final Terms. Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount). Any Subordinated Notes with no Maturity Date specified hereon will, subject to Condition 3(b) and prior consent from the Regulator if required under the Capital Adequacy Regulations, become due and payable at their Final Redemption Amount (which, unless otherwise provided, is the nominal amount) on the winding-up (*ontbinding en vereffening*) or liquidation of the Issuer (other than a solvent winding-up solely for the purpose of a reconstruction or

amalgamation or the substitution in place of the Issuer of a successor in business of the Issuer, the terms of which reconstruction, amalgamation or substitution (i) have previously been approved in writing by an Extraordinary Resolution (as defined in the Agency Agreement) of the holders of Subordinated Notes) and (ii) do not provide that the Subordinated Notes shall thereby become payable) and may otherwise be redeemed only in accordance with the provisions of this Condition 7 or as provided in Condition 11.

(b) **Conditions to Redemption, Substitution, Variation or Purchase**

Only in respect of Subordinated Notes and so long as the Issuer is subject to Capital Adequacy Regulations:

- (i) any redemption pursuant to this Condition 7 may only be made provided no Mandatory Deferral Event has occurred and is continuing at the time of such redemption, and principal, premium, interest or any other amount shall only be due and payable in respect of or arising from the Subordinated Notes provided no Mandatory Deferral Event has occurred and is continuing and the Issuer could make such payment without a Mandatory Deferral Event occurring, except where Condition 3(b) applies, in which case the holder shall have a subordinated claim as set out therein;
- (ii) if the Regulator so applies the Capital Adequacy Regulations, any redemption pursuant to this Condition 7 may only be made provided no Insolvent Insurer Liquidation has occurred and is continuing on the relevant redemption date; and
- (iii) any redemption, substitution, variation or purchase of the Subordinated Notes is subject to (A) the prior consent of the Regulator if required under the Capital Adequacy Regulations and (B) compliance with the Capital Adequacy Regulations.

If so specified in the Final Terms, in the case of a redemption or purchase that is within five years of the Issue Date of the Subordinated Notes the Issuer shall deliver to the Noteholders a certificate signed by two members of the Executive Board of the Issuer stating that it would have been reasonable for the Issuer to conclude, judged at the time of the issue of the Subordinated Notes, that the circumstance entitling the Issuer to exercise the right of redemption was unlikely to occur (and such certificate shall be conclusive evidence of the matters stated herein).

In the case of a redemption or purchase pursuant to Condition 7(d), 7(f), 7(g) or 7(i) that is within five years from the Issue Date, such redemption or purchase shall be in exchange for or funded out of the proceeds of a new issuance of capital of at least the same quality as the Subordinated Notes, if required pursuant to the Capital Adequacy Regulations.

Should a Mandatory Deferral Event occur after a notice for redemption has been given to the Noteholders but prior to the date fixed for redemption, such redemption notice shall become void and notice thereof shall be given promptly by the Issuer to the Fiscal Agent and, in accordance with Condition 15, the Noteholders.

In this Condition 7(b), “**Insolvent Insurer Liquidation**” means a liquidation of any Group Insurance Undertaking that is not a Solvent Insurer Liquidation.

“**Group Insurance Undertaking**” means an insurance undertaking or a reinsurance undertaking within the Group.

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

“**reinsurance undertaking**” has the meaning given to such term in article 13 of the Solvency II Directive.

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

(c) **Early Redemption:**

(i) *Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(d) or (f) or upon it becoming due and payable as provided in Condition 11 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(d) or (f) or upon it becoming due and payable as provided in Condition 11 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 7(d) or (f) or upon it becoming due and payable as provided in Condition 11, shall be the Final Redemption Amount.

- (d) **Redemption, Substitution or Variation for Taxation Reasons:** If (i) (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes (any such change or amendment, a “**Tax Law Change**”) or (B) as a result of a Tax Law Change, the Issuer will no longer obtain full or substantially full deductibility for the purpose of Dutch corporate income tax for any payment of interest, and (ii) the foregoing cannot be avoided by the Issuer taking reasonable measures

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

- (i) the Issuer may, subject to the prior consent of the Regulator, if required, having given not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at such times or on such date or dates as specified in the Final Terms on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), at their Early Redemption Amount (as described in Condition 7(c) above) (together with interest accrued to the date fixed for redemption), or
- (ii) the Issuer may, subject to the prior consent of the Regulator, if required, and without any requirement for the consent or approval of the Noteholders, having given not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), subject to compliance with applicable regulatory requirements, at such time or on such date or dates as specified in the Final Terms, substitute the Notes in whole (but not in part) for another series of notes of at least the same quality of the Issuer under which the Issuer will not be obliged to pay such additional amounts or will be able to obtain full or substantially full deductibility for the purpose of Dutch corporate income tax for any payment of interest, or at any time vary the terms of all (but not some only) of the Notes so that they become notes under which the Issuer will not be obliged to pay such additional amounts or will be able to obtain full or substantially full deductibility for the purpose of Dutch corporate income tax for any payment of interest, provided in each case that the notes have materially the same terms as the Notes which terms are not materially less favourable to an investor than the terms of the Notes then prevailing, as reasonably determined by the Issuer in conjunction with an independent investment bank of international standing, such determination to be certified to the Noteholders as set out below. In connection with such substitution or variation all Arrears of Interest (if any) will be satisfied.

Prior to the publication of any notice of redemption, substitution or variation pursuant to this Condition 7(d), the Issuer shall deliver to the Noteholders a certificate signed by two members of the Executive Board of the Issuer stating that the Issuer is entitled to effect such redemption, substitution or variation and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem, substitute or vary have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts or will no longer be able to obtain full or substantially full deductibility for the purpose of Dutch corporate income tax for any payment of interest as a result of such change or amendment.

- (e) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, subject to the prior consent of the Regulator, if required, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

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

In the case of a partial redemption or the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of

Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(f) **Redemption, Substitution or Variation of the Subordinated Notes for Regulatory Reasons:** If immediately prior to the giving of the notice referred to below a Capital Disqualification Event has occurred and is continuing, then:

- (i) the Issuer may, subject to the prior consent of the Regulator, if required, having given not less than 30 nor more than 60 days' notice to the holders of Subordinated Notes in accordance with Condition 15 (which notice shall be irrevocable), redeem, in accordance with these Terms and Conditions, at such time or on such date or dates as specified in the Final Terms all, but not some only, of the Subordinated Notes at the Early Redemption Amount specified in the Final Terms together with any interest accrued to (but excluding) the date of redemption in accordance with these Terms and Conditions and any Arrears of Interest; or
- (ii) the Issuer may, subject to the prior consent of the Regulator, if required, and without any requirement for the consent or approval of the holders of the Subordinated Notes, having given not less than 30 nor more than 60 days' notice to the holders of Subordinated Notes in accordance with Condition 15 (which notice shall be irrevocable), subject to compliance with applicable regulatory requirements, at such time or on such date or dates as specified in the Final Terms substitute the Subordinated Notes in whole (but not in part) for another series of notes of the Issuer, or at any time vary the terms of all (but not some only) of the Subordinated Notes so that they become, capable of counting for the purposes of determination of the solvency margin, capital adequacy ratios or comparable margins or ratios under the Capital Adequacy Regulations, or, where this is subdivided in tiers, supplementary capital (tier 2 capital or equivalent) that have materially the same terms as the Subordinated Notes which terms are not materially less favourable to an investor than the terms of the Subordinated Notes then prevailing, as reasonably determined by the Issuer in conjunction with an independent investment bank of international standing, such determination to be certified to the holders of the Subordinated Notes as set out below. In connection with such substitution or variation all Arrears of Interest (if any) will be satisfied.

Prior to the publication of any notice of redemption, substitution or variation pursuant to this Condition 7(f) the Issuer shall deliver to the holders of the Subordinated Notes in accordance with Condition 15 a certificate signed by two members of the Executive Board of the Issuer stating that a Capital Disqualification Event has occurred and is continuing as at the date of the certificate and, in the case of a substitution or variation pursuant to (ii) above, certifying the determination as set out therein.

In connection with any substitution or variation pursuant to this Condition 7(f), the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Subordinated Notes are for the time being listed or admitted to trading.

For the purpose of this Condition 7(f) a “**Capital Disqualification Event**” is deemed to have occurred if, as a result of any replacement of or change to the Capital Adequacy Regulations (or change to the interpretation thereof by any court, the Regulator or any other authority entitled to do so) the Subordinated Notes cease to be capable of counting for 100% of the principal amount of the Subordinated Notes outstanding at such time under the Capital Adequacy Regulations for the purposes of the determination of the solvency margin, capital adequacy ratio or comparable margins or ratios of the Issuer, or, where this is subdivided in tiers, as tier 2 basic own funds (howsoever described at the

time), on a consolidated basis, except where such non-qualification is only as a result of any applicable limitation on the amount of such capital.

(g) **Redemption, Substitution or Variation of the Subordinated Notes for Rating Reasons:** If immediately prior to the giving of the notice referred to below a Rating Methodology Event has occurred and is continuing, then:

- (i) the Issuer may at any time, subject to the prior consent of the Regulator, if required, having given not less than 30 nor more than 60 days' notice to the holders of Subordinated Notes in accordance with Condition 15 (which notice shall be irrevocable), redeem, in accordance with these Terms and Conditions, at such time or on such date or dates as specified in the Final Terms all, but not some only, of the Subordinated Notes at the Early Redemption Amount specified in the Final Terms together with any interest accrued to (but excluding) the date of redemption in accordance with these Terms and Conditions and any Arrears of Interest; or
- (ii) the Issuer may, subject to the prior consent of the Regulator, if required, and without any requirement for the consent or approval of the holders of the Subordinated Notes, having given not less than 30 nor more than 60 days' notice to the holders of Subordinated Notes in accordance with Condition 15 (which notice shall be irrevocable), subject to compliance with applicable regulatory requirements, at such time or on such date or dates as specified in the Final Terms substitute the Subordinated Notes in whole (but not in part) for another series of notes of the Issuer that are, or at any time vary the terms of all (but not some only) of the Subordinated Notes so that they are, assigned substantially the same equity content or at the absolute discretion of the Issuer a lower equity content (provided such equity content is still higher than the equity content assigned to the Subordinated Notes after the occurrence of the Rating Methodology Event) than that which was assigned by the Rating Agency to the Subordinated Notes on or around the Issue Date of the first Tranche of the Subordinated Notes, provided that after such substitution or variation the terms of the notes are not materially less favourable to an investor than the terms of the Subordinated Notes then prevailing, as reasonably determined by the Issuer in conjunction with an independent investment bank of international standing, such determination to be certified to the holders of the Subordinated Notes as set out below. In connection with such substitution or variation all Arrears of Interest (if any) will be satisfied.

Prior to the publication of any notice of redemption, substitution or variation exchange pursuant to this Condition 7(g) the Issuer shall deliver to the holders of the Subordinated Notes in accordance with Condition 15 a certificate signed by two members of the Executive Board of the Issuer stating that a Rating Methodology Event has occurred and is continuing as at the date of the certificate and, in the case of a substitution or variation pursuant to (ii) above, certifying the determination as set out therein.

In connection with any substitution or variation pursuant to this Condition 7(g), the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Subordinated Notes are for the time being listed or admitted to trading.

In this Condition 7(g), a “**Rating Methodology Event**” will be deemed to occur upon a change in methodology of any Rating Agency (or in the interpretation of such methodology) as a result of which the equity content assigned by such Rating Agency to the Subordinated Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity content assigned by such Rating Agency to the Subordinated Notes on or around the Issue Date of the first Tranche of the Subordinated Notes.

“**Rating Agency**” means the rating agency or agencies specified in the Final Terms or any of their respective successors.

- (h) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (“**Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (i) **Purchases:** The Issuer and any of its subsidiaries may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (j) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

8 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of payments of principal and, in the case of interest, as specified in Condition 8(f)(v)) or Coupons (in the case of interest, save as specified in Condition 8(f)(v)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “Bank” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Notes:**
- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the

specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer or its Agents agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 9. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities (including Dublin so long as the Notes are admitted to listing on the official list of the Irish Stock Exchange and admitted to trading on the regulated market of the Irish Stock Exchange) and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

- (f) **Unmatured Coupons unexchanged Talons:**
 - (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, those Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period

of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10).

- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
 - (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
 - (ii) (in the case of a payment in euro) which is a TARGET Business Day.

9 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Netherlands or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such

withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Netherlands other than the mere holding of the Note or Coupon; or
- (b) **Lawful avoidance of withholding:** to, or to a third party on behalf of, a holder if such withholding or deduction may be avoided by complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (c) **Partnership/fiduciary/beneficial holder:** to, or to a third party on behalf of, a holder that is a partnership or a holder that is not the sole beneficial owner of the Note or which holds the Note in a fiduciary capacity, to the extent that any of the members of the partnership, the beneficial owner or the settlor or beneficiary with respect to the fiduciary would not have been entitled to the payment of an additional amount had each of the members of the partnership, the beneficial owner, settlor or beneficiary (as the case may be) received directly his beneficial or distributive share of the payment; or
- (d) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 7, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition.

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

10 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within five years from the appropriate due date for payment in respect of them.

11 Events of Default

If any of the following events (“**Events of Default**”) occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest (including in the case of Subordinated Notes under which the Issuer has the option to defer interest, all Arrears of Interest and any other amounts in respect of or arising under such Subordinated Notes or the relative Coupons) to the date of payment shall become immediately due and payable:

- (a) **Subordinated Notes:** In the case of the Subordinated Notes (subject to prior consent from the Regulator, if required), in the event of the liquidation of the Issuer. Liquidation may occur as a result of the winding-up of the Issuer (*ontbinding en vereffening*), bankruptcy (*faillissement*) of the Issuer or emergency measures (*noodmaatregelen*) as modified or re-enacted from time to time as referred to in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) being applied to the Issuer if that constitutes a liquidation.
- (b) **Senior Notes:** In the case of Senior Notes:
 - (i) **Non-Payment:** default is made for more than 14 days (in the case of interest) or three days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes; or
 - (ii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Notes which default is incapable of remedy or is not remedied within 30 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder; or
 - (iii) **Cross-Default:** (A) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, in each case except if the aggregate amount falling within (A) to (C) above is less than €100,000,000 (or its equivalent in any other currency or currencies); or
 - (iv) **Enforcement Proceedings:** an *executoriaal beslag* (executory attachment) or a *conservatoir beslag* (interlocutory attachment) is made, or another attachment, distress, execution or other legal process under any law is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries having an aggregate value of €100,000,000 or more and is not cancelled, withdrawn, discharged or stayed within 30 days; or
 - (v) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person) over any assets of the Issuer or any of its Material Subsidiaries having an aggregate value of €100,000,000 or more (and for the avoidance of doubt any notification to Achmea Bank N.V. ("AH") or its borrowers, pursuant to the securitisations DMPL IX to DMPL XII, SGML II, DRMP I and DRMP II, and any similar future financing transactions of AB, AB's Secured Debt

Issuance Programme and the Achmea Covered Bond Programme in circumstances, in each case, where there is no default of the Issuer or any Material Subsidiary in respect of those securitisations, programmes or financings is not considered an "enforcement" under this provision); or

- (vi) **Insolvency:** suspension of payments (*surseance van betaling*) or bankruptcy (*faillissement*) proceedings are initiated or applied for by the Issuer, any of its Material Subsidiaries or a third party and, in the case of a third party application, not discharged within 30 days, or emergency measures (*noodmaatregelen*) as referred to in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), as modified or reenacted from time to time, are declared, or the Issuer or any of its Material Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts under any applicable law, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries, or any such measures are officially decreed, under any applicable law; or
- (vii) **Winding-up:** an order is made or an effective resolution passed for the dissolution or liquidation of the Issuer or any of its Material Subsidiaries, or the Issuer or any of its Material Subsidiaries shall apply or petition for a winding-up or administration order in respect of itself or ceases or threaten to ceases to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders or (ii) in the case of a Material Subsidiary, under a solvent winding up pursuant to a shareholders' resolution whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in another of the Issuer's Subsidiaries (which shall thereupon itself become Material Subsidiary) (notice of which shall be forthwith be given by the Issuer to the Noteholders) or
- (viii) **Authorisation and Consents:** at any time a special authorisation becomes necessary to permit the Issuer to pay principal of and interest on the Notes in accordance with their terms as a result of any change in the official application of, or any amendment to, the laws or regulations of the Netherlands and such authorisation is not obtained by the Issuer within 60 days of the effective date of such change or amendment or official notification thereof, whichever occurs later; or
- (ix) **Illegality:** it is or will become unlawful under any applicable law for the Issuer to perform or comply with any one or more of its obligations under any of the Notes.

12 Meeting of Noteholders and Modifications

- (a) **Meetings of Noteholders:** The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. In the case of Subordinated Notes, any modification of these Conditions is subject to prior consent from the Regulator, if required. Such a meeting may be convened by Noteholders holding not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal

amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be completed in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

- (b) **Modifications:** The Issuer and the Fiscal Agent may agree, without the consent of the Noteholders or Couponholders, to any modification of any of the provisions of the Agency Agreement or of any of these Conditions either (i) for the purpose of curing any ambiguity or which is of a formal, minor or technical nature or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein or (ii) in any other manner which is not materially prejudicial to the interests of the Noteholders.

Any modification shall be binding on the Noteholders and the Couponholders and, unless the Fiscal Agent agrees otherwise in respect of any modification to the Agency Agreement, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 15.

13 Replacement of Notes, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may

require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

14 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in the conditions of such notes to “Issue Date” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

15 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in the Netherlands (which is expected to be *Het Financieele Dagblad*) and so long as the Notes are listed on the regulated market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, also in a leading newspaper having general circulation in Dublin, which is expected to be the Irish Times. If any such notice is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

16 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note or Coupon is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note or Coupon that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note or Coupon, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or Coupon or any other judgment or order.

17 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, Dutch law.

- (b) **Jurisdiction:** The Courts of the Netherlands are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of Amsterdam, the Netherlands, and appellate courts, and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

FORM OF FINAL TERMS OF THE NOTES

The form of Final Terms of the Notes that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Final Terms dated [DATE]

Achmea B.V.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the **€5,000,000,000 Programme for the Issuance of Debt Instruments**

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended[, from 1 January 2018,] to be offered, sold or otherwise made available to and[, with effect from such date,] should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "Conditions") set forth in the base prospectus dated 14 July 2017 (the "Base Prospectus") [and the supplemental base prospectus[es] dated [date]] [which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC, as amended and implemented (the "Prospectus Directive")]¹. [This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented].]²[This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with such Base Prospectus [as so supplemented].]³ Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplemental base prospectus[es]] [has] [have] been published on the Issuer's website at www.achmea.com and [is] [are] available for viewing during normal business hours at Achmea B.V., Handelsweg 2, 3707 NH Zeist, the Netherlands and copies may be obtained from such address.

(The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date.)

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 15 September 2014 which are incorporated by reference in the base prospectus dated 14 July 2017 (the "Base Prospectus"). [This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended and implemented (the "Prospectus Directive") and must be read in conjunction with the Base Prospectus [and the

¹ Delete this language in case of Notes NOT to be admitted to trading on a regulated market within the European Economic Area.

² Include this language in case of Notes to be admitted to trading on a regulated market within the European Economic Area.

³ Include this language in case of Notes NOT to be admitted to trading on a regulated market within the European Economic Area.

supplemental base prospectus[es] dated [●], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the base prospectus dated 15 September 2014.⁴ [This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Base Prospectus [and the supplemental base prospectus[es] dated [●], save in respect of the Conditions which are extracted from the base prospectus dated 15 September 2014.]⁵ Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplemental base prospectus[es]] [has] [have] been published on the Issuer's website at [www.achmea.com] and [is] [are] available for viewing during normal business hours at Achmea B.V., Handelsweg 2, 3707 NH Zeist, the Netherlands and copies may be obtained from such address.]

(Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.)

(When completing any final terms consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

⁴ Include this language in case of Notes to be admitted to trading on a regulated market within the European Economic Area.

⁵ Include this language in case of Notes NOT to be admitted to trading on a regulated market within the European Economic Area.

- 1 Issuer: Achmea B.V.
- 2 (i) Series Number: []
(ii) Tranche Number: []
(iii) Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series] on [insert date/the Issue Date/exchange of the temporary Global Note for interests in the permanent Global Note, as referred to in paragraph [25] below [which is expected to occur on or about [insert date]]].]
- 3 Specified Currency or Currencies: []
- 4 Aggregate Nominal Amount:
(i) Series: []
(ii) Tranche: []
- 5 Issue Price: [] per cent of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
- 6 (i) Specified Denominations: []
[Where multiple denominations above €100,000 (or equivalent) are being used the following sample wording should be followed: [€100,000] and integral multiples of [€1,000] in excess thereof [up to and including [€199,000]]. No Notes in definitive form will be issued with a denomination above [€199,000]].]*
**[Delete if Notes being issued in registered form.]*
Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).
- (ii) Calculation Amount: []
- 7 (i) Issue Date: []
(ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]
- 8 Maturity Date: [specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to [specify relevant month and year]][Not Applicable]
- 9 Interest Basis: [[] % Fixed Rate [up to but excluding []]
[Reset Notes]
[[LIBOR/EURIBOR] +/- [] % Floating Rate [from and including []]
[Zero Coupon]
(further particulars specified below in paragraph 14, 15, 16, 17 and 18, as applicable)
[Optional deferral of interest payments (Condition 6(a)): [Applicable/Not Applicable]]
[Interest over Arrears of Interest: [as specified in Condition 6(c)]]/[Not

- Applicable]]
- 10 Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption][If redeemed], the Notes will be redeemed [on the Maturity Date] at [100] per cent. of their nominal amount.
(N.B. If the Final Redemption Amount is less than 100% of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No.809/2004 will apply and the Issuer will prepare and publish a series prospectus).
- 11 Change of Interest Basis: [Not Applicable] [Applicable – Reset Notes, see paragraph 15 below]
[Applicable - *specify the date when any fixed to floating rate change occurs or refer to paragraphs [14] and [16] below and identify there*]
- 12 Put/Call Options: [Investor Put]
[Issuer Call]
[Not Applicable]
[(further particulars specified below in paragraphs 19 through 23, as applicable)]
- 13 (i) Status of the Notes: [Senior/[Dated/Undated (Perpetual)] Subordinated]
(ii) [Date [Board] approval for issuance of Notes obtained: [] [and [], respectively]]
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 14 **Fixed Rate Note Provisions** [Applicable [to but excluding []]/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate(s) of Interest: [] per cent. per annum [payable in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): [] in each year
- (iii) Fixed Coupon Amount(s): [] per Calculation Amount
- (iv) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] [Not Applicable]
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / Actual/365 (Fixed) / Actual/365 (Sterling) / Actual/360 / 30E/360 / 30E/360 (ISDA)]
- (vi) Determination Dates: [] in each year *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- 15 **Reset Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Initial Rate(s) of Interest: [] per cent. per annum [payable in arrear on each Interest Payment Date]
- (ii) Reset Margin: [+/-][] per cent. per annum

- (iii) Interest Payment Date(s): [] in each year
- (iv) Fixed Coupon Amount(s): [] per Calculation Amount
- (v) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] [Not Applicable]
- (vi) First Reset Note Reset Date: []
- (vii) Anniversary Date(s): [] [and each corresponding day and month falling [] years thereafter]
- (viii) Mid-Market Swap Rate: []
- (ix) ISDAFIX Rate: [“ISDAFIX1”/“ISDAFIX2”/“ISDAFIX3”/“ISDAFIX4”/“ISDAFIX5”/“ISDAFIX6”]
- (x) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / Actual/365 (Fixed) / Actual/365 (Sterling) / Actual/360 / 30E/360 / 30E/360 (ISDA)]
- 16 **Floating Rate Note Provisions** [Applicable [from and including []]/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Interest Period(s): [[] in each year, subject to adjustment in accordance with the Business Day Convention specified in (v) below.] [Not Applicable]
- (ii) Specified Interest Payment Dates: []
- (iii) First Interest Payment Date: []
- (iv) Interest Period Date: [] [Not Applicable]
(Not applicable unless different from Interest Payment Date)
- (v) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
- (vi) Business Centre(s): []
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Agent): []
- (ix) Screen Rate Determination:

- Reference Rate: [LIBOR/EURIBOR]
- Interest Determination Date(s): []
- Relevant Screen Page: []
- Reference Banks: [[]/Not Applicable]
- (x) ISDA Determination:
 - Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (xi) Linear Interpolation: Not Applicable / Applicable – the Rate of Interest for the [long/short] [first/last] Interest Accrual Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)
- (xii) Margin(s): [+/-][] per cent per annum
- (xiii) Minimum Rate of Interest: [] per cent per annum
- (xiv) Maximum Rate of Interest: [] per cent per annum
- (xv) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / Actual/365 (Fixed) / Actual/365 (Sterling) / Actual/360 / 30E/360 / 30E/360 (ISDA)]
- 17 **Zero Coupon Note Provisions** [Applicable/Not Applicable]
(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
 - (i) Amortisation Yield: [] per cent per annum
 - (ii) [Day Count Fraction in relation to Early Redemption Amounts: [30/360 / Actual/Actual (ICMA/ISDA) / Actual/365 (Fixed) / Actual/365 (Sterling) / Actual/360 / 30E/360 / 30E/360 (ISDA)]
- 18 **Deferral of Interest** [Applicable/Not Applicable]
(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
 - (i) Arrears of Interest to bear interest (Condition 6(d)) [Yes/No]

PROVISIONS RELATING TO REDEMPTION

19 **Tax Call (Condition**

- 7(d)**
- (i) Time or date(s) []
meant in Condition
7(d)(i):
- (ii) Time or date(s) []
meant in Condition
7(d)(ii):
- 20 **Issuer Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional []
Redemption
Date(s):
- (ii) Optional [] per Calculation Amount
Redemption
Amount(s) of each
Note:
- (iii) If redeemable in
part:
- (a) Minimum [] per Calculation Amount
Redemption
Amount:
- (b) Maximum [] per Calculation Amount
Redemption
Amount:
- (iv) Notice period [[]/[As per Conditions]
- 21 **Regulatory Call
(Condition 7(f))**
- (i) Time or date(s) []
meant in Condition
7(f)(i):
- (ii) Time or date(s) []
meant in Condition
7(f)(ii):
- 22 **Rating Call (Condition
7(g))**
- (i) Time or date(s) []
meant in Condition
7(g)(i):
- (ii) Time or date(s) []
meant in Condition
7(g)(ii):
- (iii) Rating Agency as []
meant in Condition

7(g)

- 23 **Investor Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each Note: [] per Calculation Amount
- (iii) Notice period []
- 24 **Final Redemption Amount of each Note** [] per Calculation Amount
- 25 **Early Redemption Amount**
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation, regulatory or rating reasons or on event of default or other early redemption: [] per Calculation Amount
- 26 Condition 7(b): certificate required: [Yes/No]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 27 Form of Notes: **Bearer Notes:**
- [Temporary Global Note exchangeable for a permanent Global Note which is exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [] days' notice] [In relation to any issue of Notes which are a "Global Note exchangeable for Definitive Notes" in circumstances other than "in the limited circumstances specified in the Global Note", such Notes may only be issued in denominations equal to, or greater than, €100,000 (or equivalent) and integral multiples thereof]
- [Permanent Global Note exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the permanent Global Note]
- Registered Notes:**
- [Regulation S Global Note (€[•] nominal amount) registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream,

- Luxembourg (that is, held under the NSS)]]
- 28 New Global Note: [Yes] [No]
- 29 Financial Centre(s): [Not Applicable/include. *Note that this paragraph relates to the date and place of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraphs 14(ii), 15(iii) and 16(vi) relate*]
- 30 Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [No/Yes. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Achmea B.V.:

By:

Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: [Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market.][Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange [specify other] with effect from [].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

- (ii) Estimated total expenses: []

2 [RATINGS

- Ratings: [[The Notes to be issued [have been rated/are expected to be rated]/[The following ratings reflect ratings assigned to Notes of this type under the Programme generally]]:

[S & P: []]

[Moody's: []]

[[Other]: []]

[Not Applicable]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

Insert one (or more) of the following options, as applicable:

[[Insert full legal name of credit rating agency/ies] [is]/[are] established in the European Union and [has]/[have each] applied for registration under Regulation (EC) No 1060/2009 as amended, although the result of such application has not yet been determined.]

[[Insert full legal name of credit rating agency/ies] [is]/[are] established in the European Union and registered under Regulation (EC) No 1060/2009 as amended.]

[[Insert credit rating agency/ies] [is]/[are] not established in the European Union and [has]/[have] not applied for registration under Regulation (EC) No 1060/2009 as amended.]

3 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:)

"Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer." *(Amend as appropriate if there are other interests)*

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

4 REASONS FOR THE OFFER

Reasons for the offer:

Reasons for the offer: [See "Use of Proceeds" wording in Base Prospectus/specify particular identified use of proceeds]]

5 [Fixed Rate Notes only – YIELD

Indication of yield:

[]

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6 [Floating Rate Notes only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].]

7 OPERATIONAL INFORMATION

ISIN: []

Common Code: []

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): [Not Applicable/give name(s) and number(s)[and address(es)]]

Delivery: Delivery [against/free of] payment

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

[Deemed delivery of clearing system notices for the purposes of Condition 15]: [Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the [second][business] day after the day on which it was given to [Euroclear Bank SA/NV and Clearstream Banking, S.A.]

Intended to be held in a manner which [Yes][No]

would allow Eurosystem eligibility:

[Include this text if “yes” selected: Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Include this text if “no” selected: Whilst the designation is set at “no”, should the Eurosystem eligibility criteria be amended in the future the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

8 DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated: [Not Applicable/give names]
- (A) Names of Managers:
- (B) Stabilising Manager(s) (if any) [Not Applicable/give names]
- (iii) If non-syndicated, name of Dealer [Not Applicable/give name]
- (iv) U.S. Selling Restrictions: [Reg. S Compliance Category 1; TEFRA C/ TEFRA D/ TEFRA not applicable]
- (v) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
- (If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute “packaged” products and no KID will be prepared, “Applicable” should be specified.)*

TERMS AND CONDITIONS OF THE CAPITAL SECURITIES

The following are the Terms and Conditions of the Securities which (subject to the completion) will be applicable to each Series of Securities:

The Capital Securities (hereafter referred to as the “**Securities**”) are issued in accordance with an agency agreement (the “**Agency Agreement**”, which expression shall include any amendments or supplements thereto) dated 14 July 2017 and made between, inter alia, Achmea B.V. (the “**Issuer**”), ABN AMRO Bank N.V. in its capacity as fiscal and principal paying agent (the “**Fiscal Agent**”, which expression shall include any successor to ABN AMRO Bank N.V. in its capacity as such) and the paying agents named therein (the “**Paying Agents**”, which expression shall include the Fiscal Agent and any substitute or additional Paying Agents appointed in accordance with the Agency Agreement). Copies of the Agency Agreement are available for inspection at the specified office of each of the Paying Agents. All persons from time to time entitled to the benefit of obligations under any Securities shall be deemed to have notice of, and shall be bound by, all of the provisions of the Agency Agreement insofar as they relate to the relevant Securities.

The Securities are issued in series (each, a “**Series**”), and each Series may comprise one or more tranches (“**Tranches**” and each, a “**Tranche**”) of Securities. Each Tranche will be the subject of the Final Terms (each, the “**Final Terms**”), a copy of which will, in the case of a Tranche in relation to which application has been made for admission to the Official List and trading on the regulated market of the Irish Stock Exchange plc (the “**Irish Stock Exchange**”) or on another stock exchange be lodged with the Irish Stock Exchange or such other stock exchange and will be available for inspection at the specified office of the Fiscal Agent.

The Securities are also issued in accordance with the Trust Deed. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed. Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours by the Holders at the registered office of the Trustee and at the specified office of each of the Paying Agents. The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

References in these Terms and Conditions to “**Securities**” are to Securities of the relevant Series.

1. Form, Denomination and Title

(a) *Form and Denomination*

The Securities are in bearer form and shall be in the Specified Denomination(s) as indicated in the applicable Final Terms provided that in the case of any Securities which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a Prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Securities). The Securities will be represented by a temporary Global Security without interest coupons which is exchangeable for a permanent Global Security (each a “**Global Security**”) without interest coupons. Unless specified otherwise in the Final Terms, each Global Security will be deposited with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* (“**Euroclear Nederland**”) and thereby become subject to the Dutch Securities Giro Transfer Act (*Wet Giraal Effectenverkeer*, “**Wge**”). Unless specified otherwise in the Final Terms, the Global Security will not be exchangeable for definitive bearer Securities.

(b) *Transfer and Title*

Unless specified otherwise in the Final Terms, interests in the Global Security will be transferable only in accordance with the provisions of the Wge and the rules and procedures from time to time of Euroclear Nederland and its admitted institutions (*aangesloten instellingen*) and all transactions in (including transfer of) Securities, in the open market or otherwise, must be effected through admitted institutions of Euroclear Nederland. The bearer of the Global Security will be the only person entitled to receive payments in respect of such Global Security. To the extent permitted by law, each person who is for the time being shown in the records of Euroclear Nederland or any of its admitted institutions as the holder of a particular nominal amount of such Securities (a “**Holder**”) (in which regard any certificate or other document issued by Euroclear Nederland or such admitted institution as to the nominal amounts of Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Paying Agents as the holder of such nominal amount of such Securities for all purposes other than with respect to the payment of principal or interest on the Securities, for which purpose the bearer of the Global Security shall be treated by the Issuer and the Paying Agents as the holder of such Securities in accordance with and subject to the terms of the Global Security.

2. Status

(a) *Status and Subordination of the Securities*

The Securities constitute direct, unsecured, subordinated securities of the Issuer and rank, and will rank, *pari passu* without any preference among themselves and with the Parity Securities. The claims of the Holders under the Securities are subordinated to the claims of Senior Creditors of the Issuer, present and future.

(b) (i) *Condition to Payment by the Issuer so long as the Issuer is subject to Capital Adequacy Regulations*

Payments in respect of the Securities (and use of the proceeds of the issue of Payment Capital Securities in accordance with Condition 6) are conditional upon the Issuer not being subject to a Regulatory Event at the time of payment by the Issuer (or at the time of use of the proceeds of the issue of such Payment Capital Securities) and in that no principal or Payments shall be made in respect of the Securities (including use of the proceeds of the issue of Payment Capital Securities in accordance with Condition 6) except to the extent that the Issuer could make such payment (or use the proceeds of such issue of Payment Capital Securities) and still not be subject to a Regulatory Event.

For the purposes of this Condition 2(b)(i) any reference to a payment by the Issuer in respect of a Security shall be deemed to include a redemption or purchase of such Security by the Issuer.

(ii) *Condition to Payment by the Issuer after the Issuer has ceased to be subject to Capital Adequacy Regulations*

Payments in respect of the Securities (and use of the proceeds of the issue of Payment Capital Securities in accordance with Condition 6) are conditional upon the Issuer being Solvent at the time of payment by the Issuer (or at the time of use of the proceeds of the issue of such Payment Capital Securities) and in that no principal or Payments shall be made in respect of the Securities (including use of the proceeds of the issue of Payment Capital Securities in accordance with Condition 6) except to the extent that the Issuer could make such payment (or use the proceeds of such issue of Payment Capital Securities) and still be Solvent immediately thereafter.

For the purposes of this Condition 2(b)(ii) any reference to a payment by the Issuer in respect of a Security shall be deemed to include a redemption or purchase of such Security by the Issuer.

- (iii) *Payments payable*: Amounts in respect of principal or Payments in respect of which the conditions referred to in Condition 2(b)(i) or 2(b)(ii), as applicable, are not satisfied on the date upon which the same would otherwise be payable and have since not been paid will be payable by the Issuer in a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer as provided in Condition 3 (“**Winding-Up Claims**”). A Winding-Up Claim shall not bear interest. Amounts will also be payable on any redemption as provided in Condition 7(b), 7(c), 7(d) or 7(e).
- (iv) *Set-off*: Subject to applicable law, no Holder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Securities and each Holder shall, by virtue of being the Holder of any Security, be deemed to have waived all such rights of set-off.

3. **Winding-up**

- (a) If at any time an order is made, or an effective resolution is passed, for the winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer (except in any such case a solvent winding-up solely for the purpose of a reconstruction or amalgamation or the substitution in place of the Issuer of a successor in business (as defined in the Trust Deed) of the Issuer, the terms of which reconstruction, amalgamation or substitution (a) have previously been approved in writing by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) and (b) do not provide that the Securities shall thereby become payable), there shall be payable by the Issuer in respect of each Security (in lieu of any other payment by the Issuer) a winding-up amount consisting of principal and Outstanding Payments. The Securities will rank on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer in priority to distributions on all classes of share capital of the Issuer and *pari passu* with each other and among themselves and with the Parity Securities, but junior to and thus be subordinated in right of payment to the Senior Creditors of the Issuer, present and future, and save for the following sub-clauses of this Condition.
- (b) On a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer, to the extent the Issuer would be unable to satisfy any Deferred Coupon Payment using the Alternative Coupon Satisfaction Mechanism because of the operation of the relevant threshold as described in Condition 6(f), the obligations of the Issuer in respect of an amount of principal under the Securities, equal to such part of Deferred Coupon Payments that the Issuer would be unable to satisfy using the Alternative Coupon Satisfaction Mechanism because of the operation of the relevant threshold as described in Condition 6(f), shall rank, effectively from a financial point of view, *pari passu* with the Preference Shares of the Issuer (or if, under the *then* effective articles of association of the Issuer, there is outstanding any class of Preference Shares of the Issuer which ranks more junior than any other class of Preference Shares of the Issuer, with that most *junior* class of Preference Shares), and not with the Issuer’s other obligations in respect of the Securities, which shall rank as set out in the other sub-clauses of this Condition.
- (c) *If* on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer there is outstanding any class of Preference Shares of the Issuer which, under the *then* effective articles of association of the Issuer, ranks more senior than any other class of Preference Shares of the Issuer, the Securities will, on such winding-up, effectively from a financial point of view, and subject to sub-clause (b) above, rank *pari passu* with that most *senior* class of Preference Shares of the Issuer, except where the

Existing Preference Shares are (or were prior to their redemption) included in that most senior class, in which case sub-clause (a) above applies.

- (d) In a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer, Holders will only have a claim for payment in full or part of principal and Outstanding Payments, if any, to the extent that distributable assets of the Issuer are sufficient to pay in full or part such amount of principal and such Outstanding Payments.

In the event, and given sub-clause (b) above *to the extent*, that claims in respect of the Securities rank, effectively from a financial point of view, *pari passu* with the most *senior* class of Preference Shares of the Issuer, Holders will only receive payment in full or part of principal and Outstanding Payments, if any, to the extent that after payment to the Senior Creditors of the Issuer further distributable assets of the Issuer are available to pay in full or part such amount of principal and such Outstanding Payments as well as the distributions on the most senior class or classes of Preference Shares of the Issuer. If in such case available distributable assets of the Issuer are not sufficient to pay both the amounts due to the Holders and the distributions on the most senior class or classes of Preference Shares of the Issuer in full, such payments and distributions shall be made on a pro rata basis calculated by reference to the aggregate full amount due to the Holders and the aggregate full amount that would be distributable to the holders of the most senior class or classes of Preference Shares, such that the Holders will receive such proportion of their full claim as the assets of the Issuer available for such payments and distributions bears to the aggregate full amount due to the Holders and the aggregate full amount that would be distributable to the holders of the most senior class or classes of Preference Shares.

In the event sub-clause (b) above applies, *to the extent* that claims in respect of the Securities rank, effectively from a financial point of view, *pari passu* with the most *junior* class of Preference Shares of the Issuer, Holders will only receive payment in full or part of principal and Outstanding Payments, if any, to the extent that after payment on the class of Preference Shares ranking immediately ahead of the most *junior* class of Preference Shares of the Issuer, further distributable assets of the Issuer are available to pay in full or part such amount of principal and such Outstanding Payments as well as the distributions on the most junior class or classes of Preference Shares of the Issuer. If in such case available distributable assets of the Issuer are not sufficient to pay both the amounts due to the Holders and the distributions on the most junior class or classes of Preference Shares of the Issuer in full, such payments and distributions shall be made on a pro rata basis calculated by reference to the aggregate full amount due to the Holders and the aggregate full amount that would be distributable to the holders of the most junior class or classes of Preference Shares, such that the Holders will receive such proportion of their full claim as the assets of the Issuer available for such payments and distributions bears to the aggregate full amount due to the Holders and the aggregate full amount that would be distributable to the holders of the most junior class or classes of Preference Shares.

4. Deferrals

The Issuer must make each Coupon Payment on the relevant Coupon Payment Date subject to and in accordance with these Terms and Conditions. Without prejudice to the generality of Condition 2, the Issuer must or, subject to Condition 4(c), may defer a Coupon Payment and any other Payment in the following circumstances:

(a) *Mandatory Deferral of Payments*

- (i) If, on the 20th Business Day preceding the date on which any Payment (such term does not include principal) would, in the absence of deferral in accordance with this Condition 4(a)(i), be due and payable, the Mandatory Deferral Condition is met, any such Payment or such part

thereof must (subject to Condition 6) be deferred by the Issuer giving notice (a “**Mandatory Deferral Notice**”) to the Trustee, the Holders, the Fiscal Agent and the Calculation Agent not less than 16 Business Days prior to such date.

If, following the deferral of a Payment by the Issuer under this Condition 4(a)(i), the Mandatory Deferral Condition is no longer met on the 20th Business Day preceding a Coupon Payment Date, then the Issuer shall satisfy such Payment on the relevant Deferred Coupon Satisfaction Date having given, not less than 16 Business Days prior to the Deferred Coupon Satisfaction Date, notice to the Trustee, the Holders, the Fiscal Agent and the Calculation Agent that it will satisfy such Payment on such date.

- (ii) The Issuer shall not satisfy such Payment on the relevant Deferred Coupon Satisfaction Date referred to in Condition 4(a)(i) above, if:
 - (1) it has previously elected to satisfy such Payment earlier (provided that, at the time of satisfying such payment, the Mandatory Deferral Condition fails to be met) by delivering a notice to the Trustee, the Holders, the Fiscal Agent and the Calculation Agent not less than 16 Business Days prior to the relevant Deferred Coupon Satisfaction Date that it will satisfy such Payment on such date; or
 - (2) it validly elects to defer under Condition 4(b) the Payment which would otherwise have been satisfied under Condition 4(a)(i).
- (iii) If any Payment is deferred pursuant to this Condition 4(a) then no amount will be payable by way of interest on any such deferred Payment, save as provided in Condition 6(d).

In respect of ACSM Securities (being those Securities that specify their status as ACSM Securities), any such deferred Payment shall be satisfied from the proceeds of the issue of Payment Capital Securities in accordance with Condition 6.

(b) Optional Deferral of Payments

- (i) Subject to Condition 4(c), the Issuer may in respect of any Payment which would, in the absence of deferral in accordance with this Condition 4(b)(i), be payable, defer all or part of such Payment by giving notice (an “**Optional Deferral Notice**”) to the Trustee, the Holders, the Fiscal Agent and the Calculation Agent not less than 16 Business days prior to the relevant due date. Subject to Condition 4(c), the Issuer may then satisfy any such Payment at any time (but in the case of ACSM Securities only by means of an issue of Payment Capital Securities in accordance with Condition 6) upon delivery of a notice to the Trustee, the Holders, the Fiscal Agent and the Calculation Agent not less than 16 Business Days prior to the relevant Deferred Coupon Satisfaction Date informing them of its election to so satisfy such Payment and specifying the relevant Deferred Coupon Satisfaction Date.
- (ii) If any Payment is deferred pursuant to this Condition 4(b) then such deferred Payment shall bear interest at the applicable Coupon Rate from (and including) the date on which (but for such optional deferral) the Deferred Coupon Payment would otherwise have been due to be made to (but excluding) the relevant Deferred Coupon Satisfaction Date.

(c) Dividend Pusher; Mandatory Payments and Mandatory Partial Payments

The Issuer may give an Optional Deferral Notice under Condition 4(b) in its sole discretion and for any reason, but any such Optional Deferral Notice as to a Payment required to be paid pursuant to (i), (ii) or (iii) below shall have no force or effect.

The Issuer will be required to make the following payments on the Securities in the following circumstances:

- (i) If a Mandatory Payment Event or a Mandatory Partial Payment Event occurs then all Deferred Coupon Payments will become mandatorily due and payable in full on the date of the Mandatory Payment Event or Mandatory Partial Payment Event, in accordance with the provisions of Condition 6.

In respect of ASCM Securities, the Issuer must satisfy its obligations to pay such Deferred Coupon Payment only in accordance with the Alternative Coupon Satisfaction Mechanism.

For the avoidance of doubt the Issuer will not be required to utilise the Alternative Coupon Satisfaction Mechanism in order to satisfy its obligation to pay any Coupon Payment or Mandatory Partial Payment payable on a Mandatory Payment date or a Mandatory Partial Payment date, respectively, if the date on which such Coupon Payment or Mandatory Partial Payment is payable happens to coincide with the date on which such Deferred Coupon Payment has become mandatorily due and payable in full (which will be the date of the Mandatory Payment Event or Mandatory Partial Payment Event, as the case may be).

- (ii) If a Mandatory Payment Event occurs, then, in addition, the Coupon Payments payable on the next number of Coupon Payment Dates as specified in the Final Terms (subject to the next sentence) will be mandatorily due and payable in full on the relevant consecutive Coupon Payment Dates. If the Mandatory Payment Event is a payment on a Junior Security or on a Junior Guarantee or on a security benefiting from a Junior Guarantee which in each case is in respect of a semi-annual dividend, then the Coupon Payments payable on only the next number of Coupon Payment Dates as specified in the Final Terms will be mandatorily due and payable in full on such Coupon Payment Dates.
- (iii) If a Mandatory Partial Payment Event occurs, then, in addition, Mandatory Partial Payments will be mandatorily due and payable in respect of each Security. Such Mandatory Partial Payments shall be payable on the immediately next number of consecutive Coupon Payment Dates as specified in the Final Terms after the occurrence of such Mandatory Partial Payment Event, depending on whether the Parity Securities pay dividends or income distributions on an annual basis, a semi-annual basis or a quarterly basis, as the case may be.

(d) *Dividend Stopper*

The Issuer agrees that if the Issuer defers a payment for any reason as described above then, while any payment is so deferred, it will not recommend to its shareholders and, to the fullest extent permitted by applicable law, will otherwise act to prevent, any action that would constitute a Mandatory Payment Event or a Mandatory Partial Payment Event.

5. Coupon Payments

(a) *Interest on Fixed Rate Securities*

Subject to Conditions 2(b)(i), 2(b)(ii), 4(a), 4(b) and 6(d)), each Fixed Rate Security bears interest on its outstanding nominal amount from the Coupon Commencement Date at the rate per annum (expressed as a percentage) equal to the Coupon Rate, such interest being payable in arrear on each Coupon Payment Date. If a Fixed Coupon Amount or a Broken Amount is specified hereon, the amount of interest payable on each Coupon Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be

payable on the particular Coupon Payment Date(s) specified hereon. The amount of interest payable shall be determined in accordance with Condition 5(e).

(b) *Interest on Floating Rate Securities*

- (i) *Coupon Payment Dates*: Subject to Conditions 2(b)(i), 2(b)(ii), 4(a), 4(b) and 6(d)), each Floating Rate Security bears interest on its outstanding nominal amount from the Coupon Commencement Date at the rate per annum (expressed as a percentage) equal to the Coupon Rate, such interest being payable in arrear on each Coupon Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(e). Such Coupon Payment Date(s) is/are either shown hereon as Specified Coupon Payment Dates or, if no Specified Coupon Payment Date(s) is/are shown hereon, Coupon Payment Date shall mean each date which falls the number of months or other period shown hereon as the Coupon Period after the preceding Coupon Payment Date or, in the case of the first Coupon Payment Date, after the Coupon Commencement Date.
- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Coupon Rate for Floating Rate Securities*: The Coupon Rate in respect of Floating Rate Securities for each Coupon Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Securities

Where ISDA Determination is specified hereon as the manner in which the Coupon Rate is to be determined, the Coupon Rate for each Coupon Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for a Coupon Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Coupon Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Securities

(x) Where Screen Rate Determination is specified hereon as the manner in which the Coupon Rate is to be determined, the Coupon Rate for each Coupon Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Coupon Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

(y) if the Relevant Screen Page is not available or, if sub-paragraph (B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Coupon Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Coupon Rate for such Coupon Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Coupon Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Coupon Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if

the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Coupon Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Coupon Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Coupon Rate shall be determined as at the last preceding Coupon Determination Date (though substituting, where a different Margin or Maximum or Minimum Coupon Rate is to be applied to the relevant Coupon Accrual Period from that which applied to the last preceding Coupon Accrual Period, the Margin or Maximum or Minimum Coupon Rate relating to the relevant Coupon Accrual Period, in place of the Margin or Maximum or Minimum Coupon Rate relating to that last preceding Coupon Accrual Period).

(c) *Accrual of interest*

Interest shall cease to accrue on each Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Coupon Rate in the manner provided in this Condition 5 and as provided in the Trust Deed.

(d) *Margin, Maximum/Minimum Coupon Rates, Redemption Amounts and Rounding*

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Coupon Accrual Periods), an adjustment shall be made to all Coupon Rates, in the case of (x), or the Coupon Rates for the specified Coupon Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.
- (ii) If any Maximum or Minimum Coupon Rate or Redemption Amount is specified hereon, then any Coupon Rate or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(e) *Calculations*

The amount of interest payable per Calculation Amount in respect of any Security for any Coupon Accrual Period shall be equal to the product of the Coupon Rate, the Calculation Amount specified hereon, and the Day Count Fraction for such Coupon Accrual Period, unless a Coupon Amount (or a formula for its calculation) is applicable to such Coupon Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Security for such Coupon Accrual Period shall equal such Coupon Amount (or be calculated in accordance with such formula). Where any Coupon Period comprises two or more Coupon Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Coupon Period shall be the sum of the Coupon Amounts payable in respect of each of those Coupon Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(f) *Determination and Publication of Coupon Rates, Coupon Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts*

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Coupon Amounts for the relevant Coupon Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Coupon Rate and the Coupon Amounts for each Coupon Accrual Period and the relevant Coupon Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Trustee, the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of the Securities, any other Calculation Agent appointed in respect of the Securities that is to make a further calculation upon receipt of such information and, if the Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Coupon Period, if determined prior to such time, in the case of notification to such exchange of a Coupon Rate and Coupon Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Coupon Payment Date or Coupon Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Coupon Amounts and the Coupon Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Coupon Period. If the Securities become due and payable under Condition 9, the accrued interest and the Coupon Rate payable in respect of the Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Coupon Rate or the Coupon Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(g) *Determination or Calculation by Trustee*

If the Calculation Agent does not at any time for any reason (i) determine the Coupon Rate in accordance with these Conditions or (ii) calculate a Coupon Amount in accordance with these Conditions, the Trustee or an agent on its behalf shall do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee or such agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it or such agent can do so, and in all other respects it or such agent shall do so in such manner as it shall deem fair and reasonable in all the circumstances. All

determinations or calculations made or obtained for the purposes of the provisions of this Condition 5(g) by or on behalf of the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agents and all Holders and (in the absence of wilful default or bad faith) no liability to the Issuer or the Holders shall attach to the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(h) *Calculation Agent*

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Security is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Securities, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Coupon Rate for a Coupon Period or Coupon Accrual Period or to calculate any Coupon Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6. Alternative Coupon Satisfaction Mechanism

(a) *Alternative Coupon Satisfaction Mechanism*

In respect of ACSM Securities, if any Deferred Coupon Payment (with any interest accrued on such Deferred Coupon Payment, as applicable) is to be made, it will be satisfied using only the Alternative Coupon Satisfaction Mechanism. “**Alternative Coupon Satisfaction Mechanism**” means that the relevant payment is satisfied from the proceeds of the issue of such amount of Payment Capital Securities for cash as required to provide enough cash for the Issuer to make full payments on the Securities in respect of the relevant Payment, in accordance with and subject to the following provisions of this Condition 6. Investors will always receive payments made in respect of Securities in cash.

If the Issuer uses the Alternative Coupon Satisfaction Mechanism, the Issuer shall notify the Trustee and the Fiscal Agent not less than 16 Business Days prior to the relevant Coupon Payment Date.

(b) *Issue of Payment Capital Securities*

If any Payment is to be satisfied in accordance with the Alternative Coupon Satisfaction Mechanism then, subject to Condition 6(d) and Condition 6(f):

- (i) by close of business on or before the seventh Business Day prior to the relevant Coupon Payment Date or Deferred Coupon Satisfaction Date the Issuer will issue such number of Payment Capital Securities as, in the determination of the Issuer, have a market value of not less than the relevant Payment to be satisfied in accordance with this Condition 6;
- (ii) if, after the operation of the above procedure, there would in the opinion of the Issuer be a shortfall on the date on which the relevant Payment is due, the Issuer shall issue further Payment Capital Securities in accordance with the provisions of the Trust Deed to ensure that a

sum at least equal to the relevant Payment is available to make the Payment in full on the relevant due date provided that if, despite the operation of the aforementioned provisions, such a shortfall exists on the relevant due date the Issuer will in accordance with the provisions of the Trust Deed continue to issue Payment Capital Securities until the Fiscal Agent shall have received funds equal to the full amount of such shortfall.

(c) *Receipt of cash proceeds in respect of Issue of Payment Capital Securities satisfies Payment*

Where the Issuer is required to make a Payment hereunder by using the proceeds of an issue of Payment Capital Securities and in accordance with its obligations under the Trust Deed issues such Payment Capital Securities, the cash proceeds of such issue by the Issuer shall, subject to Condition 6(b)(ii) and 6(d), be used to satisfy the relevant Payment or, as the case may be, in the circumstances referred to in (d) below, the relevant part of such Payment. The proceeds of sale of Payment Capital Securities in accordance with this Condition 6 shall be paid by the Fiscal Agent to the Holders in respect of the relevant Payment.

(d) *Market Disruption*

Notwithstanding the provisions of Condition 6(b), if there exists, in the opinion of the Issuer (subject, where necessary, to determinations made by the Calculation Agent), a Market Disruption Event on or after the 15th Business Day preceding any date upon which a Payment is due to be made or satisfied in accordance with this Condition 6, then the Issuer may give a notice to the Trustee, the Principal Paying Agent, the Calculation Agent and the Holders as soon as possible after the Market Disruption Event has arisen or occurred, whereupon the relevant Payment shall be deferred until such time as (in the opinion of the Issuer) the Market Disruption Event no longer exists.

Any such deferred Payment or part thereof will be satisfied as soon as practicable following such time as the Market Disruption Event no longer exists. Interest shall not accrue on such deferred Payment or part thereof unless, as a consequence of the existence of a Market Disruption Event, the Issuer does not make the relevant Payment or part thereof for a period of 14 days or more after the due date therefor, in which case interest shall accrue on such deferred Payment or part thereof from (and including) the date on which the relevant Payment or part thereof was due to be made to (but excluding) the date on which such Payment or part thereof is made. Any such interest shall accrue at the rate provided for in Condition 5 and shall be satisfied only in accordance with this Condition 6 and as soon as reasonably practicable after the relevant deferred Payment is made.

(e) *Issuer certification to Trustee*

The Issuer will certify to the Trustee that the proceeds used to make any Deferred Coupon Payment on ACSM Securities have been funded through the issue of Payment Capital Securities which will provide the cash amount due in respect of the relevant Deferred Coupon Payment.

(f) *Limitations in connection with Alternative Coupon Satisfaction Mechanism*

The Issuer may for the purposes of satisfying any Deferred Coupon Payment on ACSM Securities in accordance with the Alternative Coupon Satisfaction Mechanism place such number of Payment Capital Securities in any 12 month period as (a) does not exceed 2.00 per cent of the issued Ordinary Share capital of the Issuer at the relevant date or (until such time as Ordinary Shares of the Issuer are listed on a stock exchange or traded on a regulated market) (b) have an aggregate issue price not exceeding 2.00 per cent. of the value of the Shareholders' Equity as per the Issuer's latest audited consolidated financial statements. The Issuer is required to keep available for issue sufficient ordinary shares and have all required approvals and authorisations in place for the issue of securities which qualify as equity such as Payment Capital Securities, as it reasonably considers would be required to

satisfy at any time the next Coupon Payment and any Deferred Coupon Payments outstanding on ACSM Securities. For the avoidance of doubt, any Deferred Coupon Payments not satisfied shall not be cancelled but remain outstanding and become due and payable at redemption or in a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer.

(g) *Alternative Coupon Satisfaction Mechanism Period*

The Issuer must in all circumstances settle any Deferred Coupon Payment on ACSM Securities by way of the Alternative Coupon Satisfaction Mechanism. In any such case the Issuer shall use its best efforts to satisfy the relevant Deferred Coupon Payment within a period of five years (the “**Alternative Coupon Satisfaction Mechanism Period**”) following the relevant Deferred Coupon Satisfaction Date, by way of the Alternative Coupon Satisfaction Mechanism as described in and subject to the provisions of this Condition 6. If at the end of any Alternative Coupon Satisfaction Mechanism Period in respect of any such Deferred Coupon Payment the Issuer has been unable to satisfy such Deferred Coupon Payment in full by way of the Alternative Coupon Satisfaction Mechanism, the obligations of the Issuer to satisfy such Deferred Coupon Payment or part thereof will continue to exist, subject to Conditions 2 and 3.

7. Redemption, Substitution or Variation and Purchases

(a) *No Fixed Redemption Date*

The Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Conditions 2 and 3 and without prejudice to the provisions of Condition 11) only have the right to repay them in accordance with the following provisions of this Condition 7, provided that any Deferred Coupon Payment on ACSM Securities shall be satisfied from the proceeds of the issue of Payment Capital Securities in accordance with Condition 6.

(b) *Issuer’s Call Option*

Subject to Condition 2(b)(i) or 2(b)(ii), as applicable, and, so long as the Issuer is subject to Capital Adequacy Regulations, to the prior consent of the Regulator, the Issuer may, by giving not less than 30 nor more than 60 days’ notice to the Holders in accordance with Condition 15 and to the Fiscal Agent and the Trustee, which notice shall be irrevocable, elect to redeem all, but not some only, of the Securities on the Optional Redemption Date at the Optional Redemption Amount specified in the Final Terms together with any Outstanding Payments.

(c) *Redemption for Taxation Reasons*

If the Issuer satisfies the Trustee immediately prior to the giving of the notice referred to below that, on the next due date for a Coupon Payment:

- (i) as a result of any change in or proposed change in, or amendment to or proposed amendment to, the laws of the Netherlands or any political subdivision or authority thereof having power to tax, or any change in or proposed change in the application of official or generally published interpretation of such laws, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such law or regulations that differs from the previously generally accepted position in relation to similar transactions or which differs from any specific written confirmation given by a tax authority in respect of the Securities, which change or amendment becomes, or would become, effective, or in the case of a change or proposed change in law if such change is enacted (or, in the case of a proposed change, is expected to be enacted) by an act (*wet*) or made by subordinate legislation on or after the Issue Date of the relevant Securities (a “**Tax Law Change**”), or other than as a result of a Tax Law

Change, there is more than an insubstantial risk that the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporation tax for any payment of interest including, for the avoidance of doubt, where the payment of interest is to be satisfied by the proceeds of the issue of Payment Capital Securities, and the Issuer cannot avoid the foregoing in connection with the Securities by taking measures reasonably available to it, or

- (ii) whether or not as a result of a Tax Law Change (as defined above), the Issuer would be unable to make such payment without being required to pay additional amounts as provided or referred to in Condition 10 and the Issuer cannot avoid the foregoing in connection with the Securities by taking measures reasonably available to it; or
- (iii) whether or not as a result of a Tax Law Change, payments of amounts in respect of interest on the Securities including, for the avoidance of doubt, the issue of Payment Capital Securities pursuant to Condition 6, may be treated as “distributions” (*opbrengst*) within the meaning of Section II of the Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) (or such other Section and/or Act as may from time to time supersede or replace Section II of the Dividend Withholding Tax Act 1965 for the purposes of such definition) and such requirement or circumstance cannot be avoided by the Issuer taking measures reasonably available to it,

then the Issuer may (subject to Condition 2(b)(i) or 2(b)(ii), as applicable, and, so long as the Issuer is subject to Capital Adequacy Regulations, to the prior consent of the Regulator), having given not less than 30 nor more than 60 days’ notice to the Trustee, the Fiscal Agent and, in accordance with Condition 15, the Holders (which notice shall be irrevocable), redeem, in accordance with these Terms and Conditions, at such time or on such date or dates as specified in the Final Terms all, but not some only, of the Securities at the Early Redemption Amount (Tax) specified in the Final Terms together with any Outstanding Payments.

Prior to the publication of any notice of redemption pursuant to this Condition 7(c), the Issuer shall deliver to the Trustee a certificate signed by two members of the Executive Board of the Issuer stating that the relevant requirement or circumstance referred to in paragraphs (i), (ii) or (iii) above is satisfied and the Trustee shall accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Holders.

(d) *Redemption, Substitution or Variation for Regulatory Reasons*

If, so long as the Issuer is subject to Capital Adequacy Regulations, the Issuer notifies the Trustee immediately prior to the giving of the notice referred to below that the Regulator has determined that securities of the nature of the Securities cease to qualify as own funds or, if own funds is subdivided in tiers, core capital (tier 1 or equivalent) and may not be counted as supplementary capital (tier 2 or equivalent) either (without the operation of any grandfathering provisions), for the purposes of determination of its solvency margin, capital adequacy ratios or comparable margins or ratios under such Capital Adequacy Regulations, then the Issuer may (subject to Condition 2(b)(i) and the prior consent of the Regulator, if required), having given not less than 30 nor more than 60 days’ notice to the Trustee, the Fiscal Agent and, in accordance with Condition 15, the Holders (which notice shall be irrevocable)

- (i) redeem, in accordance with these Terms and Conditions, at such time or on such date or dates as specified in the Final Terms all, but not some only, of the Securities at the Early Redemption Amount (Regulatory) specified in the Final Terms together with any Outstanding Payments; or
- (ii) subject to compliance with applicable regulatory requirements, substitute the Securities in whole (but not in part) for another series of securities of the Issuer qualifying, or vary the terms

of all (but not some only) of the Securities so that they become capable of qualifying, as own funds and, if own funds is subdivided in tiers, supplementary capital (tier 2 capital or equivalent) that, in the opinion of the Trustee, have terms that are not materially less favourable to an investor than the terms of the Securities then prevailing as reasonably determined by the Issuer, and provided that a certificate to such effect signed by two members of the Executive Board of the Issuer shall have been delivered to the Trustee, upon which the Trustee shall be entitled to rely without enquiry and without liability to any person for so doing. Any conversion of the Securities into preference shares or another series of capital securities under this paragraph (d)(ii) shall be made on not less than 30 nor more than 60 days' notice to the Holders. In respect of ACSM Securities, the Issuer is permitted to satisfy its obligation to pay any Deferred Coupon Payment due upon conversion only in accordance with the Alternative Coupon Satisfaction Mechanism.

(e) *Redemption, Conversion or Exchange for Accounting Reasons*

If, as a result of a change of accounting standards or as a result of a change in interpretation of accounting standards, the Securities are no longer classified as equity or equity instrument under accounting standards applicable to the Issuer from time to time, the Issuer may (subject to Condition 2(b)(i) or 2(b)(ii), as applicable, and, so long as the Issuer is subject to Capital Adequacy Regulations, to the prior consent of the Regulator), having given not less than 30 nor more than 60 days' notice to the Trustee, the Fiscal Agent and, in accordance with Condition 15, the Holders (which notice shall be irrevocable), redeem, in accordance with these Terms and Conditions, at such time or on such date or dates as specified in the Final Terms all, but not some only, of the Securities at the Early Redemption Amount (Accounting) specified in the Final Terms together with any Outstanding Payments, or convert or exchange the Securities in whole (but not in part) into or for preference shares or another series of capital securities that classify as equity or equity instrument under accounting standards applicable to the Issuer from time to time.

(f) *Substitution Event*

If at any time a Substitution Event has occurred and is continuing, the Issuer may, subject, so long as the Issuer is subject to Capital Adequacy Regulations, to the prior consent of the Regulator, cause substitution of all (but not some only) of the Securities for fully paid non-cumulative Preference Shares issued directly by the Issuer having materially the same terms as the Securities.

(g) *Purchases*

The Issuer may (subject to Condition 2(b)(i) or 2(b)(ii), as applicable, and, so long as the Issuer is subject to Capital Adequacy Regulations, the prior consent of the Regulator) at any time purchase Securities in any manner and at any price. Securities purchased by the Issuer may be held, reissued, resold or, at the option of the Issuer, be cancelled by decreasing the number of Securities represented by the Global Security by an equal number.

(h) *Cancellation*

Cancellation of any Securities will be effected by reduction in the principal amount of the Global Securities and such cancelled Securities may not be reissued or resold. The obligations of the Issuer in respect of any such Securities shall be discharged.

(i) *Intention to replace*

It is the Issuer's intention that if it redeems Capital Securities in whole (but not in part) for any reason described above in accordance with Condition 7, it or any of its subsidiaries will have raised funds in

the period of six (6) months preceding such redemption through the issuance, in an aggregate amount at least equal to the aggregate issue size of the Capital Securities concerned, of any class of shares or of securities substantially similar to the Capital Securities in relation to maturity, deferral of payments and replacement such that the securities have the same or more equity-like characteristics.

8. Payments

(a) *Method of Payment*

- (i) Payments of principal and Coupon Amounts and all other payments on or in respect of the Securities will be in the applicable currency and will be calculated by the Calculation Agent and effected through the Paying Agents.

Payments of redemption amounts and interest in respect of the Securities will, subject as set out below, be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of the Global Security to the order of the Paying Agent. A record of each payment will be endorsed on the appropriate part of the schedule to the Global Security by or on behalf of the Paying Agent, which endorsement shall be *prima facie* evidence that such payment has been made in respect of the Securities.

- (ii) The names of the initial Paying Agents and their initial specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that it will at all times maintain (x) a Paying Agent having a specified office in the Netherlands (y) for so long as the Securities are listed on the official list of the Irish Stock Exchange, or any other stock exchange or regulated securities market and the rules of such exchange or securities market so require, a Paying Agent having a specified office in such location as the rules of such exchange or securities market may require and (z) a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to the European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive. Notice of any such termination or appointment and of any change in the specified offices of the Paying Agents will be given to the Holders in accordance with Condition 15.

(b) *Payments subject to fiscal laws*

All payments made in accordance with these Terms and Conditions will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10.

(c) *Payments on Payment Business Days*

A Global Security may only be presented for payment on a day (other than a Saturday or a Sunday) on which (i) commercial banks are open for general business in Amsterdam and, if different, in the place of the specified office of the relevant Paying Agent to whom such Global Security is presented for payment and in any Additional Financial Centre specified in the Final Terms and (ii) the TARGET System is operating.

No further interest or other payment will be made as a consequence of the day on which a Global Security may be presented for payment under this paragraph falling after the due date. A Global Security may not be presented for payment before the due date.

9. Non-Payment when Due

Notwithstanding any of the provisions below in this Condition 9, the right to institute bankruptcy proceedings is limited to circumstances where payment has become due. Pursuant to Condition 2(b)(i) and 2(b)(ii) and subject as provided in the next sentence, no principal or Payment will be due by the Issuer if the Issuer is not Solvent or would not be Solvent, or if the Issuer is subject to a Regulatory Event or would be subject to a Regulatory Event, if payment of such principal or Payment was made. Also, in the case of any Payment, such Payment will not be due if the Issuer is required or has elected to defer that Payment pursuant to Condition 4(a) or 4(b) or if the circumstances referred to in Condition 6(d) then apply. The Trust Deed contains provisions entitling the Trustee to claim from the Issuer, inter alia, the fees, expenses and liabilities incurred by it in carrying out its duties under the Trust Deed. The restrictions on commencing proceedings described below will not apply to any such claim.

- (a) If the Issuer shall not make a payment in respect of the Securities for a period of 14 days or more after the date on which such payment is due, the Issuer shall be deemed to be in default under the Trust Deed and the Securities, and the Trustee may, notwithstanding the provisions of paragraph (b) of this Condition 9, institute proceedings in its own name but on behalf of the Holders in the Netherlands (but not elsewhere) for the bankruptcy (*faillissement*) of the Issuer.
- (b) Subject as provided in this Condition 9, the Trustee may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Trust Deed, the Securities (other than for the payment of any principal or satisfaction of any Payments in respect of the Securities, including any payment under clause 2.6 of the Trust Deed) provided that the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.
- (c) The Trustee shall not be bound to take any of the actions referred to in paragraph (a) or (b) above against the Issuer to enforce the terms of the Trust Deed or the Securities unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) or in writing by the holders of at least one-fifth in principal amount of the Securities then outstanding and (ii) it shall have been indemnified to its satisfaction.
- (d) No Holder shall be entitled to proceed directly against the Issuer or to institute proceedings for the bankruptcy (*faillissement*) of the Issuer or to prove (*indienen ter verificatie*) in such bankruptcy unless the Trustee, having become so bound to proceed or being able to prove in such bankruptcy, fails to do so within a reasonable period and such failure shall be continuing, in which case the Holder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise. No remedy against the Issuer shall be available to the Trustee or any Holder (i) for the recovery of amounts owing in respect of the Securities (including any payment under clause 2.6 of the Trust Deed), other than the institution of proceedings in the Netherlands (but not elsewhere) for the bankruptcy (*faillissement*) of the Issuer and/or proving (*indienen ter verificatie*) in such bankruptcy (*faillissement*) and (ii) for the breach of any other term under the Trust Deed or the Securities other than as provided in paragraph (b) above.

10. Taxation

All payments by the Issuer of principal, Coupon Amounts, Deferred Coupon Payments, Mandatory Partial Payments, Accrued Coupon Payments and Winding-Up Claims in respect of the Securities will be made without withholding of or deduction for any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by the Netherlands or any political subdivision thereof or by any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties,

assessments or governmental charges is required by law. In that event the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by Holders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Securities in the absence of such withholding or deduction, except that no such additional amounts shall be payable in relation to any payment with respect to any Security:

- (i) to, or to a third party on behalf of, a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Security by reason of his having some connection with the Netherlands other than the mere holding of such Security; or
- (ii) to, or to a third party on behalf of, a Holder if such withholding or deduction may be avoided by complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iii) to, or to a third party on behalf of, a Holder that is a partnership or a Holder that is not the sole beneficial owner of the Security or which holds the Security in a fiduciary capacity, to the extent that any of the members of the partnership, the beneficial owner or the settlor or beneficiary with respect to the fiduciary would not have been entitled to the payment of an additional amount had each of the members of the partnership, the beneficial owner, settlor or beneficiary (as the case may be) received directly his beneficial or distributive share of the payment; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the Holder would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (vi) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by claiming for payment with another Paying Agent in a Member State of the European Union.

References in these Terms and Conditions to principal, Coupon Amounts, Deferred Coupon Payments, Mandatory Partial Payments and/or Accrued Coupon Payments shall be deemed to include any additional amounts which may become payable pursuant to the foregoing provisions or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

In the event that any payment is satisfied by using the proceeds of an issue of Payment Capital Securities pursuant to Condition 6, then any additional amounts which are payable shall also be satisfied through the issue of Payment Capital Securities.

11. Prescription

Claims for payment in relation to Securities will become void unless exercised within a period of five years from the due date thereof.

12. Meetings of Holders, Modification, Waiver and Substitution

The Trust Deed contains provisions for convening meetings of Holders to consider any matter affecting their interests including the modification by Extraordinary Resolution of any of these Terms and Conditions or any

of the provisions of the Securities or the Trust Deed. Any Extraordinary Resolution duly passed shall be binding on all Holders (whether or not they were present at the meeting at which such resolution was passed).

The Trustee may agree, without the consent of the Holders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Holders. Any such modification, authorisation or waiver shall be binding on the Holders and, if the Trustee so requires, such modification shall be notified to the Holders as soon as practicable thereafter in accordance with Condition 15.

As provided in the Trust Deed, the Trustee may agree with the Issuer, without any further consent of the Holders being required, to substitution on a subordinated basis equivalent to that referred to in these Terms and Conditions of any holding company of the Issuer, any subsidiary of such holding company, any Subsidiary, any successor in business of the Issuer or any subsidiary of any successor in business of the Issuer (the “**Substituted Issuer**”) in place of the Issuer (or any previous Substituted Issuer under this Condition 12) as a new issuing party under the Trust Deed and the Securities. In connection with any proposed substitution as aforesaid and in connection with the exercise of its functions, the Trustee shall have regard to the interests of the Holders as a class and the Trustee shall not have regard to the consequences of such substitution for individual Holders resulting from in particular their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or substitution), the Trustee shall have regard to the general interests of the Holders as a class and shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders except to the extent already provided for in Condition 10 and/or any undertaking given in addition thereto or in substitution therefor under the Trust Deed.

13. Replacement of the Securities

Should the Global Security be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent (or such other place of which notice shall have been given in accordance with Condition 15) upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity and/or as the Issuer may reasonably require. The mutilated or defaced Global Security must be surrendered before any replacement Global Security will be issued.

14. The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any action unless indemnified to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, without accounting for any profit resulting therefrom.

15. Notices

Notices to Holders may be given by publication in a newspaper having general circulation in the Netherlands, most likely *Het Financieele Dagblad*. So long as the Securities are listed on the regulated market of the Irish

Stock Exchange and the rules of the Irish Stock Exchange so require, notices shall also be published in a leading newspaper having general circulation in Dublin, which is expected to be the Irish Times. Any such notice shall be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve.

16. Further Issues

The Issuer is at liberty from time to time, without any further consent of the Holders being required, to create and issue further Securities ranking *pari passu* in all respects (or in all respects save for the date from which interest thereon accrues and the amount of the first payment of interest on such further Securities) and so that the same shall be consolidated and form a single series with the outstanding Securities. Any such Securities shall be constituted by a deed supplemental to the Trust Deed.

17. Agents

The Issuer will procure that there shall at all times be a Calculation Agent and a Fiscal Agent so long as any Security is outstanding. If either the Calculation Agent or the Fiscal Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Terms and Conditions or the Agency Agreement, as appropriate, the Issuer shall appoint, on terms acceptable to the Trustee, an independent investment bank acceptable to the Trustee to act as such in its place. Neither the termination of the appointment of a Calculation Agent or the Fiscal Agent nor the resignation of either will be effective without a successor having been appointed.

All calculations and determinations made by the Calculation Agent or the Fiscal Agent in relation to the Securities shall (save in the case of manifest error) be final and binding on the Issuer, the Trustee, the Paying Agents and the Holders.

None of the Issuer, the Trustee and the Paying Agents shall have any responsibility to any person for any errors or omissions in any calculation by the Calculation Agent.

18. Governing Law and Jurisdiction

- (a) The Trust Deed, these Terms and Conditions and the Securities and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of the Netherlands.
- (b) The Courts of the Netherlands are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed and the Securities, and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed and the Securities may be brought in such courts.

19. Definitions

In these Terms and Conditions:

“**Accrued Coupon Payment**” means, as at any time, where these Terms and Conditions provide that interest shall continue to accrue after a Coupon Payment Date in respect of a Security the amount of interest accrued thereon in accordance with Conditions 4(b), 5 and 6(d);

“**Agency Agreement**” means the agency agreement dated 15 September 2014 between the Issuer, the Trustee and the Agents relating to the Securities under which each Agent agrees to perform the duties required of it under these Terms and Conditions;

“**Agents**” means the agents appointed pursuant to the Agency Agreement and such term shall, unless the context otherwise requires, include the Fiscal Agent;

“**Alternative Coupon Satisfaction Mechanism**” has the meaning ascribed to it in Condition 6(a);

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

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the TARGET system is operating (a “**TARGET Business Day**”) and/or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres

“**Calculation Agent**” means the calculation agent in relation to the Securities, or its successor or successors for the time being appointed under the Agency Agreement;

“**Capital Adequacy Regulations**” means at any time the regulations, requirements, guidelines, policies, decrees imposing obligations on the Issuer and/or the Group with respect to the maintenance of minimum levels of solvency margins and/or capital adequacy ratios and/or comparable margins or ratios, as well as regarding the supervision thereof by any Regulator;

“**Condition**” means any of the numbered paragraphs of these Terms and Conditions of the Securities;

“**Coupon Accrual Period**” means the period beginning on (and including) the Coupon Commencement Date and ending on (but excluding) the first Coupon Period Date and each successive period beginning on (and including) a Coupon Period Date and ending on (but excluding) the next succeeding Coupon Period Date;

“**Coupon Amount**” means (i) in respect of a Coupon Payment, the amount of interest payable on a Security for the relevant Coupon Period in accordance with Condition 5; and (ii) for the purposes of Conditions 7(c), 7(d) and 7(e) any interest accrued from (and including) the preceding Coupon Payment Date (or, if none, the Issue Date) to (but excluding) the due date for redemption if not a Coupon Payment Date as provided for in Condition 5(b); the term “Coupon Amount” also includes floating Coupon Amounts;

“**Coupon Commencement Date**” means the Issue Date or such other date as may be specified hereon;

“**Coupon Determination Date**” means, with respect to a Coupon Rate and Coupon Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Coupon Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Coupon Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Coupon Accrual Period if the Specified Currency is euro

“**Coupon Payment**” means, in respect of a Coupon Payment Date, the aggregate Coupon Amounts for the Coupon Period ending on such Coupon Payment Date;

“**Coupon Payment Date**” means the date(s) specified as such in the Final Terms, provided that if any Coupon Payment Date would otherwise fall on a day which is not a Business Day it shall, unless specified otherwise in the Final Terms, be postponed to the next Business Day unless it would then fall into the next calendar month in which event the Coupon Payment Date shall be brought forward to the immediately preceding Business Day;

“**Coupon Period**” means the period beginning on (and including) the Coupon Commencement Date and ending on (but excluding) the first Coupon Payment Date and each successive period beginning on (and including) a Coupon Payment Date and ending on (but excluding) the next succeeding Coupon Payment Date;

“**Coupon Period Date**” means each Coupon Payment Date unless otherwise specified hereon;

“**Coupon Rate**” means the rate of interest payable from time to time in respect of this Security and that is either specified or calculated in accordance with the provisions hereon;

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Coupon Period or a Coupon Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual - ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/365 (Sterling)**” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vii) if “**30E/360 (ISDA)**” is specified hereon the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

”D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

(viii) if “**Actual/Actual-ICMA**” is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Coupon Payment Date(s)

“**Deferred Coupon Payment**” means (i) any Payment, or part thereof, which has been deferred in accordance with Condition 4(a) and has not been subsequently been either (x) satisfied or (y) deferred in accordance with Condition 4(b); or (ii) any Payment, or part thereof, which pursuant to Condition 4(b) the Issuer has elected to defer and which has not been satisfied;

“**Deferred Coupon Satisfaction Date**” means:

- (i) with respect to a deferral under Condition 4(a)(i), the Coupon Payment Date following the 19th Business Day after the Mandatory Deferral Condition fails to be met or, if earlier, the date on which the Issuer has resolved to satisfy a Deferred Coupon Payment, as notified by the Issuer to the Trustee, the Holders, the Fiscal Agent and the Calculation Agent in accordance with Condition 4(a)(ii); or
- (ii) the date on which the Issuer has resolved to satisfy a Deferred Coupon Payment, as notified by the Issuer to the Trustee, the Holders, the Fiscal Agent and the Calculation Agent in accordance with Condition 6; or
- (iii) the date on which the Issuer is required to satisfy all Deferred Coupon Payments pursuant to Condition 4(c);

“**Deferral Notice**” means a Mandatory Deferral Notice or an Optional Deferral Notice;

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

“**Existing Preference Shares**” means the 23,904,060 preference shares of the Issuer issued on 11 March 2004;

“**Fiscal Agent**” means the fiscal and principal paying agent appointed pursuant to the Agency Agreement;

“**Group**” means the Issuer and its Subsidiaries;

“**Holder**” has the meaning ascribed to it in Condition 1(b);

“**insurance undertaking**” has the meaning given to it in the Solvency II Directive;

“**Interest**” shall, where appropriate, include Coupon Amounts, Deferred Coupon Payments and Accrued Coupon Payments;

“**ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.;

“**Issue Date**” means the date of initial issue of the Securities as specified in the Final Terms;

“**Issuer**” means Achmea B.V.;

“**Junior Guarantee**” means any guarantee, indemnity or other contractual support arrangement entered into by the Issuer in respect of securities (regardless of name or designation) issued by a Subsidiary or Undertaking and ranking after the Securities on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer or in respect of distributions or payment of dividends or any other payment thereon;

“**Junior Securities**” means the Ordinary Shares of the Issuer and any other securities or instruments which rank after the Securities as regards distributions or a return of assets on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer or in respect of distributions or payment of dividends or any other payments thereon, including, without limitation, the Existing Preference Shares of the Issuer;

“**Liabilities**” means the non-consolidated gross liabilities of the Issuer as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events and to such extent as the directors, the auditors or, as the case may be, the liquidator may determine;

the “**Mandatory Deferral Condition**” will be met, *so long as the Issuer is subject to Capital Adequacy Regulations*, if, in the determination of the Issuer, on the 20th Business Day preceding the date on which a Payment will be due and payable the Issuer is subject to a Regulatory Event or payment of the relevant Payment, or part thereof, would result in the Issuer becoming subject to a Regulatory Event or, *after the Issuer has ceased to be subject to Capital Adequacy Regulations*, if, in the determination of the Issuer, on the 20th Business Day preceding the date on which a Payment will be due and payable, the Issuer is not Solvent or payment of the relevant Payment, or part thereof, would result in the Issuer becoming not Solvent;

“**Mandatory Deferral Notice**” has the meaning ascribed to it in Condition 4(a);

“**Mandatory Partial Payment**” payable on any Coupon Payment Date means a payment in respect of each Security in an amount that results in payment of a proportion of a full Coupon Payment on the Security on such Coupon Payment Date equal to the proportion of a full dividend on the relevant Parity Securities and/or payment on the relevant Parity Guarantee paid on the dividend or payment date in respect of the relevant Parity Securities and/or Parity Guarantee immediately preceding;

A “**Mandatory Partial Payment Event**” shall occur if any of the following occurs:

- (i) the Issuer declares, pays or distributes a dividend or makes a payment on any of its Parity Securities or makes any payment on a Parity Guarantee (except where it concerns a payment, purchase or redemption which the Issuer is obliged to make pursuant to its Articles of Association as they read prior to the relevant deferral or equity swap, forward, repo or equity derivative transactions concluded by the Issuer prior to the relevant deferral); or

- (ii) any Subsidiary or Undertaking declares, pays or distributes a dividend on any security issued by it benefiting from a Parity Guarantee or makes a payment on any security issued by it benefiting from a Parity Guarantee;

A “**Mandatory Payment Event**” shall occur if any of the following occurs:

- (i) the Issuer declares, pays or distributes a dividend or makes a payment (other than a dividend in the form of Ordinary Shares) on any of its Junior Securities or makes any payment on a Junior Guarantee;
- (ii) any Subsidiary or Undertaking declares, pays or distributes a dividend on any security issued by it benefiting from a Junior Guarantee or makes a payment (other than a dividend in the form of Ordinary Shares) on any security issued by it benefiting from a Junior Guarantee; or
- (iii) the Issuer or any Subsidiary or Undertaking redeems, purchases or otherwise acquires any of the Issuer’s Junior Securities, any Parity Securities or any securities issued by any Subsidiary or Undertaking benefiting from a Junior Guarantee or Parity Guarantee (other than (1) by conversion into or in exchange for Ordinary Shares, (2) in connection with transactions effected by or for the account of customers of the Issuer or any Subsidiary or in connection with the distribution, trading or market making in respect of those securities, (3) in connection with the satisfaction by the Issuer or any Subsidiary of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants, (4) as a result of a reclassification of the Issuer or any Subsidiary or the exchange or conversion of one class or series of capital stock for another class or series of capital stock, or (5) the purchase of fractional interests in shares of the capital stock of the Issuer or any Subsidiary pursuant to the conversion or exchange provisions of that capital stock or the security being converted or exchanged) for any consideration, or any moneys are paid to or made available for a sinking fund or for redemption of any Junior Securities, Parity Securities or any securities issued by any Subsidiary or Undertaking benefiting from a Junior Guarantee or Parity Guarantee;

“**Market Disruption Event**” means (i) the occurrence or existence of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or on settlement procedures for transactions in the Payment Capital Securities on the Relevant Stock Exchange) if, in any such case, that suspension or limitation is, in the determination of the Issuer material in the context of the sale of the Payment Capital Securities, (ii) where, in the opinion of the Issuer, there has been a substantial deterioration in the price and/or value of the Payment Capital Securities or circumstances are such as to prevent, or to a material extent restrict, the issue or delivery of the Payment Capital Securities, (iii) where, pursuant to these Terms and Conditions, moneys are required to be converted from one currency into another currency in respect of any Payment, the occurrence of any event that makes it impracticable to effect such conversion or (iv) where, in the opinion of the Issuer, there shall have been such a change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would in its view be likely to prejudice materially the success of the offering and distribution of the Payment Capital Securities or dealings in the Payment Capital Securities in the secondary market, if any.

“**Non-callable Securities**” means subordinated perpetual non-cumulative securities that are not callable at the option of the Issuer (and, in addition so long as the Issuer is subject to Capital Adequacy Regulations, that constitute or are treated as own funds and, if own funds is subdivided in tiers, core capital (tier 1 or equivalent) of the Issuer) and that rank on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer, effectively from a financial point of view, *pari passu* with the Ordinary Shares of the Issuer;

“**Optional Deferral Notice**” has the meaning ascribed to it in Condition 4(b);

“**Ordinary Shares**” means the A share, the M shares and the ordinary shares of the Issuer or depositary receipts, if any, issued in respect of such ordinary shares, as the context may require;

“**Other Tax Event**” means an event of the type described in Condition 7(c) (i), (ii) or (iii) that is not the result of a Tax Law Change;

“**Outstanding Payment**” means:

- (i) in relation to any Coupon Payment, Deferred Coupon Payment or Coupon Amount not falling within the definition of Coupon Payment, that such payment or amount (a) has either become due and payable or would have become due and payable except for the non-satisfaction on the relevant date of the conditions referred to in Condition 2(b)(i) or 2(b)(ii), as applicable or the deferral, postponement or suspension of such payment in accordance with any of Conditions 4(a), 4(b) or 6(d), and (b) in any such case has not been satisfied; and
- (ii) in relation to any Accrued Coupon Payment, any amount thereof which has not been satisfied whether or not payment has become due;

“**Parity Guarantee**” means any guarantee, indemnity or other contractual support arrangement entered into by the Issuer in respect of securities (regardless of name or designation) issued by a Subsidiary or an Undertaking or other securities (regardless of name or designation) of the Issuer or such Subsidiary or Undertaking which rank on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer or in respect of distributions or payments thereon *pari passu* with the Securities;

“**Parity Securities**” means, in respect of the Issuer, any securities of the Issuer which, whether legally or effectively from a financial point of view, rank *pari passu* with the Securities as regards distributions or a return of assets on a winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer or in respect of distribution or payment of any amounts thereunder by the Issuer, including without limitation the 5.125% Fixed-to-Floating Rate Perpetual Capital Securities of the Issuer issued on 24 June 2005, the 6% Perpetual Callable Hybrid Capital Securities issued on 1 November 2006, the 8.375% Capital Securities issued on 23 May 2008 under the Programme for the Issuance of Debt Instruments and any further securities issued being consolidated and forming a series with those securities;

“**Paying Agents**” means the paying agents appointed pursuant to the Agency Agreement and such term shall, unless the context otherwise requires, include the Fiscal Agent;

“**Payment**” means any Coupon Payment, Deferred Coupon Payment, Accrued Coupon Payment or Coupon Amount not falling within the definition of Coupon Payment;

“**Payment Capital Securities**” means (i) Ordinary Shares, or (until such time as Ordinary Shares of the Issuer are listed on a stock exchange or traded on a regulated market) (ii) any Non-callable Securities, which may be issued by the Issuer to satisfy the Alternative Coupon Satisfaction Mechanism set out in Condition 6(a);

“**Preference Shares**” means preference shares of the Issuer;

“**Reference Banks**” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon;

“**Reference Rate**” means the rate specified as such hereon;

“**Regulator**” means any existing or future regulator having primary supervisory authority with respect to the Issuer and/or the Group or the Issuer as if it were the ultimate parent undertaking in an EU regulated financial group or financial conglomerate;

“**Regulatory Event**” means that the Issuer’s consolidated or non-consolidated solvency margin, capital adequacy ratios or comparable margins or ratios under the Capital Adequacy Regulations are, or as a result of a Payment would become, less than the relevant minimum requirements as to be applied and enforced by such Regulator pursuant to the Capital Adequacy Regulations and deferral of payment of interest in respect of the Securities is required under the Capital Adequacy Regulations and the Regulator has not waived such requirement; on implementation of Solvency II, it means the Solvency Capital Requirement applicable to the Issuer, the Group or any insurance undertaking within the Group is breached and such breach is an event which under Solvency II would require the Issuer to defer payment of interest in respect of the Securities (on the basis that the Securities are intended to qualify as Tier 1 Capital under Solvency II without the operation of any grandfathering provisions) and the Regulator has not waived such requirement;

“**Relevant Date**” means (i) in respect of any payment other than a Winding-Up Claim, the date on which such payment first becomes due and payable but, if the full amount of the moneys payable on such date has not been received by the Fiscal Agent or the Trustee on or prior to such date, the “Relevant Date” means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Holders in accordance with Condition 16, and (ii) in respect of a Winding-Up Claim, the date which is one day prior to the commencement of the winding-up (*faillissement* or *vereffening na ontbinding*);

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified hereon;

“**Relevant Stock Exchange**” means the exchange or quotation system on which the Payment Capital Securities may have their primary listing from time to time;

“**Securities**” means the Securities specified in the relevant Final Terms and such expression shall include, unless the context otherwise requires, any further Securities issued pursuant to Condition 17 and forming a single series with the Securities;

“**Senior Creditors**” means present and future creditors of the Issuer (a) who are unsubordinated creditors of the Issuer, or (b) whose claims are, or are expressed to be, subordinated (whether only in the event of the winding-up (*faillissement* or *vereffening na ontbinding*) of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer but not further or otherwise or (c) who are subordinated creditors of the Issuer other than those whose claims are, or are expressed to rank, *pari passu* with, or junior to, the claims of the Holders;

“**Shareholders’ Equity**” means the equity attributable to holders of equity instruments as stated in the Issuer’s audited consolidated financial statements and as explained in the notes thereto;

“**Solvency Capital Requirement**” means the Solvency Capital Requirement or the group Solvency Capital Requirement referred to in, or any other capital requirement howsoever described in, Solvency II;

“**Solvency II**” means the Solvency II Directive and any implementing measures adopted pursuant to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of regulation or by further directives or otherwise, and including any implementing measures by national legislators or the Regulator);

“**Solvency II Directive**” means Directive 2009/138/EC of the European Union of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II) and which must be transposed by member states of the European Economic Area pursuant to Article 309 of Directive 2009/138/EC;

“**Solvent**” means that the Issuer is (a) able to pay its debts to Senior Creditors as they fall due and (b) its Assets exceed its Liabilities (other than its Liabilities to persons who are not Senior Creditors);

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Securities are denominated;

“**Subsidiary**” means a subsidiary of the Issuer within the meaning of Section 2:24a of the Dutch Civil Code;

“**Substitution Event**” means the occurrence of a breach by the Issuer or the Group or any member of the Group of Dutch capital adequacy requirements, guidelines or measures or any other regulatory capital requirements, guidelines or measures applicable to the Issuer or the Group or any member of the Group, as the case may be (whether or not such requirements, guidelines or measures have the force of law and whether they are applied generally or specifically to the Issuer or the Group or any member of the Group, as the case may be);

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

“**Tax Law Change**” has the meaning ascribed to it in Condition 7(c)(i);

“**Tax Law Change Event**” means an event of the type described in Condition 7 (c) (i), (ii) or (iii) that is the result of a Tax Law Change;

“**Trust Deed**” means the trust deed dated 15 September 2014 between the Issuer and the Trustee;

“**Trustee**” means Amsterdamsch Trustee’s Kantoor B.V. or any successor trustee;

“**Undertaking**” means a body corporate, partnership, limited partnership, cooperative or an incorporated association carrying on a trade or business with or without a view to profit in which the Issuer has a direct or indirect financial, commercial or contractual majority interest; and

“**Winding-Up Claim**” has the meaning ascribed to it in Condition 2(b)(iii).

FORM OF FINAL TERMS OF THE CAPITAL SECURITIES

The form of Final Terms of the Capital Securities that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Final Terms dated [DATE]

Achmea B.V.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Capital Securities]
under the **€5,000,000,000 Programme for the Issuance of Debt Instruments**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Capital Securities (the “**Conditions**”) set forth in the Base Prospectus dated 14 July 2017 [and the supplemental Base Prospectus dated [date]] [which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC, as amended and implemented (the “**Prospectus Directive**”)]⁶. [This document constitutes the Final Terms of the Capital Securities (hereafter referred to as the “**Securities**”) described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented].]⁷ [This document constitutes the Final Terms of the Capital Securities (hereafter referred to as the “**Securities**”) described herein and must be read in conjunction with such Base Prospectus [as so supplemented].]⁸ Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]]. The Base Prospectus [and the supplemental Base Prospectus] [has] [have] been published on the Issuer’s website at www.achmea.com and [is] [are] available for viewing during normal business hours at Achmea B.V., Handelsweg 2, 3707 NH Zeist, the Netherlands and copies may be obtained from such address.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Security that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.]

[When completing any final terms consideration should be given as to whether such terms or information constitute significant new factors and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

- | | | |
|---|--|--|
| 1 | Issuer: | Achmea B.V. |
| 2 | (i) Series Number: | [] |
| | (ii) Tranche Number: | [] |
| | (iii) Date on which the Securities become fungible | [Not Applicable/The Securities shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series] on [insert date/the Issue Date/exchange of the temporary Global Security for interests in the permanent Global Security, as referred to in paragraph [19] below [which is expected to occur on or about [insert date]]].] |

⁶ Delete this language in case of Capital Securities NOT to be admitted to trading on a regulated market within the European Economic Area.

⁷ Include this language in case of Capital Securities to be admitted to trading on a regulated market within the European Economic Area.

⁸ Include this language in case of Capital Securities NOT to be admitted to trading on a regulated market within the European Economic Area.

- 3 Specified Currency or Currencies: []
- 4 Aggregate Nominal Amount: []
- (i) Series: []
- (ii) Tranche: []
- 5 Issue Price: [] per cent of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
- 6 (i) Specified Denominations: []
[Where multiple denominations above €100,000 (or equivalent) are being used the following sample wording should be followed: [€100,000] and integral multiples of [€1,000] in excess thereof [up to and including [€199,000]]. No Notes in definitive form will be issued with a denomination above [€199,000]].]
Securities (including Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).
- (ii) Calculation Amount: []
- 7 (i) Issue Date: []
- (ii) Coupon Commencement Date: [Specify/Issue Date/Not Applicable]
- 8 Maturity Date: Not Applicable (Perpetual)
- 9 Interest Basis: [[] % Fixed Rate]
 [[LIBOR/EURIBOR] +/- [] % Floating Rate]
 (further particulars specified below)
- 10 Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Securities will be redeemed on the Maturity Date at [100] per cent. of their nominal amount.
(N.B. If the Final Redemption Amount is less than 100% of the nominal value, the Securities will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No.809/2004 will apply and the Issuer will prepare and publish a series prospectus).
- 11 Change of Interest Basis: [Applicable/Not Applicable] *[specify the date when any fixed to floating rate change occurs or refer to paragraphs [13] and [14] below and identify there]*
- 12 Call Option: [Issuer Call]
 [(further particulars specified below)]
- [[Date [Board] approval for issuance of Securities: [] [and [] , respectively]]
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Securities)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 13 **Fixed Rate Security Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Coupon Rate(s): [] per cent. per annum [payable in arrear on each Coupon Payment Date]
 - (ii) Coupon Payment Date(s): [] in each year
 - (iii) Fixed Coupon Amount(s): [] per Calculation Amount
 - (iv) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []
 - (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / Actual/365 (Fixed) / Actual/365 (Sterling) / Actual/360 / 30E/360 / 30E/360 (ISDA)]
 - (vi) Determination Dates: [] in each year *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- 14 **Floating Rate Security Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Coupon Period(s): [[] in each year, subject to adjustment in accordance with the Business Day Convention specified in (iv) below.]
 - (ii) Specified Coupon Payment Dates: []
 - (iii) First Coupon Payment Date: []
 - (iv) Coupon Period Date: []
(Not applicable unless different from Coupon Payment Date)
 - (v) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
 - (vi) Business Centre(s): []
 - (vii) Manner in which the Coupon Rate(s) is/are to be determined: [Screen Rate Determination/ISDA Determination]
 - (viii) Party responsible for calculating the Coupon Rate(s) and/or Coupon Amount(s) (if not the Agent): []
 - (ix) Screen Rate Determination:
 - Reference Rate: [LIBOR/EURIBOR]
 - Coupon Determination Date(s): []

- Relevant Screen Page: []
- (x) ISDA Determination:
 - Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (xi) Margin(s): [+/-][] per cent per annum
- (xii) Minimum Coupon Rate: [] per cent per annum
- (xiii) Maximum Coupon Rate: [] per cent per annum
- (xiv) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / Actual/365 (Fixed) / Actual/365 (Sterling) / Actual/360 / 30E/360 / 30E/360 (ISDA)]
- 15 **ACSM Securities as meant in Condition 4(a)** [Yes/No]
- 16 **Number of Coupon Payment Dates as meant in Conditions 4(c)(ii) and (iii)** []

PROVISIONS RELATING TO REDEMPTION

- 17 **Issuer Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
 - (i) Optional Redemption Date(s): []
 - (ii) Optional Redemption Amount(s) of each Security: [] per Calculation Amount
 - (iii) Notice period (if other than as set out in the Conditions): []
- 18 **Early Redemption Amount**
Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation, regulatory or accounting reasons or on other early redemption: [] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

- 19 Form of Securities: [Temporary Global Security exchangeable for a] Permanent Global Security
- 20 New Global Note [Yes] [No]
- 21 Financial Centre(s): [Not Applicable/include. Note that this paragraph relates to the date and place of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 13(ii) and 14(vi) relate]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Achmea B.V.:

By:

Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Listing: [Application has been made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the regulated market of the Irish Stock Exchange [*specify other*] with effect from []]. [Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

- (ii) Estimated total expenses: []

2 [RATINGS]

Ratings: [The Securities to be issued [have been rated/are expected to be rated]/[The following rates reflect ratings assigned to Securities of this type under the Programme generally]]:

[S & P: []]

[Moody's: []]

[[Other]: []]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Securities of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

Insert one (or more) of the following options, as applicable:

[[*Insert full legal name of credit rating agency/ies*] [is]/[are] established in the European Union and [has]/[have each] applied for registration under Regulation (EC) No 1060/2009 as amended, although the result of such application has not yet been determined.]

[[*Insert full legal name of credit rating agency/ies*] [is]/[are] established in the European Union and registered under Regulation (EC) No 1060/2009 as amended.]

[[*Insert credit rating agency/ies*] [is]/[are] not established in the European Union and [has]/[have] not applied for registration under Regulation (EC) No 1060/2009 as amended.]

3 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:)

"Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer." *(Amend as appropriate if there are other interests).*

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

4 [Fixed Rate Securities only – YIELD

Indication of yield:

[]

Calculated as *[include details of method of calculation in summary form]* on the Issue Date.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

5 [Floating Rate Securities only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].]

6 OPERATIONAL INFORMATION

ISIN Code:

[]

Common Code:

[]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s):

[Not Applicable/Euroclear Nederland/give name(s) and number(s)[and address(es)]]

Delivery:

Delivery [against/free of] payment

[Deemed delivery of clearing system notices for the purposes of Condition 15]:

[Any notice delivered to Holders through the clearing systems will be deemed to have been given on the [second][business] day after the day on which it was given to [Euroclear Nederland/Euroclear Bank SA/NV and Clearstream Banking, S.A.]

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes][No]

[Note that the designation “yes” does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

The Securities will be deposited initially upon issue with [one of the ICSDs acting as common safekeeper/[a non-ICSD] common safekeeper.]

[Include this text if “yes” selected in which case the Securities must be issued in NGN form]

7 DISTRIBUTION

- (i) Method of distribution: [Syndicated]/[Non-syndicated]
- (ii) If syndicated: [Not Applicable/*give names*]
 - (A) Names of Managers:
 - (B) Stabilising Manager(s) (if any) [Not Applicable/*give names*]
- (iii) If non-syndicated, name of Dealer [Not Applicable/*give name*]
- (iv) U.S. Selling Restrictions: [Reg. S Compliance Category 1; TEFRA C/ TEFRA D/ TEFRA not applicable]
- (v) Netherlands Selling Restriction: [Provision as set out in Base Prospectus applies/ does not apply]

SUMMARY OF PROVISIONS RELATING TO THE INSTRUMENTS WHILE IN GLOBAL FORM

References in this section to Notes shall include Capital Securities and references to Global Notes shall include Global Securities, unless otherwise indicated.

1 Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the applicable Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), (i) the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper; and (ii) the relevant clearing systems will be notified whether or not such Global Notes or Global Certificates are intended to be held in a manner which would allow Eurosystem eligibility. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depository.

If the Global Notes is a CGN, upon the initial deposit of a Global Note with a common depository for Euroclear and Clearstream, Luxembourg (the “Common Depository”) or, in the case of Capital Securities only, with Euroclear Nederland or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg or, in the case of Capital Securities only, Euroclear Nederland and delivery of the relative Global Certificate to the Common Depository or, in the case of Capital Securities only, to Euroclear Nederland, Euroclear or Clearstream, Luxembourg or, in the case of Capital Securities only, Euroclear Nederland will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is an NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems (such as Euroclear Nederland) through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system (such as Euroclear Nederland) may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

2 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (“Alternative Clearing System”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the

Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Capital Securities that are deposited with Euroclear Nederland will be subject to the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*, the “Wge”).

3 Exchange

3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Final Terms indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Overview of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

3.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only.

3.3 Permanent Global Certificates

If the Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or

(iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if principal in respect of any Notes is not paid when due.

3.5 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be, or if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Base Prospectus, "Definitive Notes" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.6 Exchange Date

"Exchange Date" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

3.7 Special provisions relating to Capital Securities

The Capital Securities will be in bearer form and will be represented on issue by a permanent Global Security or by a temporary Global Security without interest coupons which is exchangeable for a permanent Global Security (each a "Global Security") without interest coupons. Unless specified otherwise in the Final Terms, each Global Security will be deposited with Euroclear Nederland.

3.8 Special provisions relating to Capital Securities deposited with Euroclear Nederland

Capital Securities that are deposited with Euroclear Nederland will be subject to the Wge. For Capital Securities held by Euroclear Nederland deliveries will be made in accordance with the Wge. If and for

so long as Capital Securities are deposited with Euroclear Nederland, delivery (*uitlevering*) will only be possible in the limited circumstances prescribed by the Wge.

4 Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. If the Global Note is a NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under the NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 8(h) (*Non-Business Days*).

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

4.2 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of five years from the appropriate due date for payment.

4.3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes for which such Global Note may be exchanged. (All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4.4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

4.5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest (if any) thereon.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is a NGN or where the Global Certificate is held under the NSS, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

4.8 NGN Nominal amount

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

4.9 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 of the Term and Conditions of the Notes by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement

rights against the Issuer under the terms of the relevant Global Note or Global Certificate to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

4.10 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, and the rules of that clearing system permit, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note, except that so long as the Notes are listed on the regulated market of the Irish Stock Exchange and the rules of that exchange so require, notices shall also be published in a leading newspaper of general circulation in the Dublin (which is expected to be the Irish Times).

5 Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

- (a) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an “Electronic Consent” as defined in the Fiscal Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons, Talons and Receipts whether or not they participated in such Electronic Consent; and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Fiscal Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by (a) accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in

accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Instruments will be applied by the Issuer for general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

BUSINESS DESCRIPTION OF THE ISSUER

General information

Achmea B.V. (“**Achmea**”) was incorporated by deed of incorporation on 30 December 1991. Achmea is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated and operating under the laws of the Netherlands with its corporate seat in Zeist. The registered office of Achmea is Handelsweg 2, 3707 NH Zeist, telephone number +31 (0)30 6937000. Achmea is registered with the Trade Register of the Dutch Chamber of Commerce, registration number 33235189. Achmea's commercial name is Achmea.

The articles of association of Achmea were most recently amended by deed of amendment dated 19 April 2013.

Objectives

Pursuant to clause 2 of the articles of association, the objectives of Achmea are to participate in, to finance or in any other way take an interest in, and to conduct the management of, other companies and business enterprises, to acquire, own, operate and encumber movable and immovable property, to invest in other companies and enterprises, to invest in property, securities and deposits, to render services in the field of commerce and finance, to give guarantees and to bind itself for obligations of companies and business enterprises with which it is associated in a group of companies, and to do anything that is, in the widest sense of the word, connected with the aforementioned objectives or can be conducive to the attainment thereof.

History

Achmea's history dates back to 1811. The Group (as defined below) was formed by the mergers and acquisitions of numerous mutual and cooperative insurance providers over a period of almost two centuries. The history of Achmea begins as Onderlinge Waarborgmaatschappij ‘Achlum’, founded by farmer Ulbe Piers Draisma in 1811.

On 18 November 2011 a legal merger took place between Eureko B.V. and its fully owned subsidiary Achmea Holding N.V. where the latter was merged into Eureko B.V. Eureko's name was subsequently changed into Achmea as of 19 November 2011.

Business

Overview

Achmea is a financial services provider whose core business is insurance. Through its subsidiaries, which comprises amongst others Achmea Pensioen- en Levensverzekeringen N.V., Achmea Schadeverzekeringen N.V., Achmea Zorgverzekeringen N.V., Zilveren Kruis Health Services N.V., Syntrus Achmea Vermogensbeheer B.V., Syntrus Achmea Pensioenbeheer N.V., Achmea Reinsurance Company N.V., De Friesland Zorgverzekeraar N.V., Achmea Bank N.V., Staalbankiers N.V., Achmea Investment Management B.V., Friends First Holdings DAC, Interamerican Hellenic Life Insurance Company SA, Union Zdravotna Poistovna AS, Union Poistovna AS and Eureko Sigorta A.S. (collectively, the "**Group**"), Achmea offers a full range of insurance products and related financial products through the banking, direct and brokerage distribution channels. In The Netherlands, main products are property & casualty insurance, income protection insurance, health insurance, term life insurance, asset management and standard pension insurance. Outside the Netherlands, Achmea operates in Turkey, Greece, Ireland, Slovakia and Australia. (See "*Business Lines - International*").

The Group's primary goal is to develop products and services that meet the needs of its customers – private individuals, companies and other organisations. The Group employs a multi-brand, multi-channel strategy to distribute its products among clients. It has a broad product offering and a full range of distribution channels in order to position itself advantageously within different customer and pricing segments. The aim is quality rather than price leadership. Within the Netherlands, the Group primarily uses its brands Interpolis in the banking distribution channel, FBTO, Centraal Beheer, Zilveren Kruis, Inshared in the direct distribution channel and Avéro Achmea in the broker distribution channel. De Friesland Zorgverzekeraar (health) has a relative independent position within the Group as a separate division and is also responsible for the operational management of FBTO's health portfolio.

Business Lines

Achmea organises its operations according to five market-oriented chains: Non-Life, Health, Retirement Services, Pension & Life and International. These five chains are outlined below:

Non-life Netherlands

Non-life insurance is both a core business and a core competence for Achmea. Achmea is the market leader in the Netherlands in non-life insurance, holding an estimated market share of more than 20%, offering brands such as Centraal Beheer, Interpolis and FBTO. Through the direct, banking and brokerage channels, Achmea provides its private and commercial customers with car insurance, home insurance, home contents insurance, liability insurance, travel insurance. In addition, Achmea offers various types of sickness insurance and individual and group disability insurance. Around 16%⁹ of total gross written premiums (“GWP”) are generated by Non-Life Netherlands.

Health Netherlands

For Achmea, health insurance is both a core business and a core competence. Achmea provides health insurance for over five million people in the Netherlands. Health gross written premiums represent a significant share of 67%¹⁰ of total GWP, mainly as a result of the mandatory basic health insurance. In the Netherlands, Achmea is the market leader¹¹. Achmea offers basic and supplementary health insurance and health services in the Netherlands.

Retirement Services Netherlands

With the launch of the new strategy for Retirement Services, Achmea is focusing on the changing needs of customers, changes in society and further modifications in the pension system. These changes are resulting in new ways to save for retirement. As part of these efforts, Achmea established the Centraal Beheer Algemeen Pensioenfonds (CB APF) in 2016 as an alternative to pension insurance. Through additional products and services provided by Achmea Investment Management and Achmea Bank for the third and fourth pillars of the pension system, Achmea provides a comprehensive solution. As of 31 December 2016, Achmea Investment Management has €116 billion assets under management for institutional and retail clients. Achmea has been engaged through Syntrus Achmea Pensioenbeheer to carry out pension management activities for the CB APF. Achmea has all the skills required within its ranks to carry out this initiative, and is managing this as part of an integrated strategy.

Pension & life Netherlands

⁹ Annual Report 2016

¹⁰ Annual Report 2016

¹¹ DNB figures 2015

With the establishment of the Centraal Beheer Algemeen Pensioenfonds (CB APF), Achmea has taken the strategic decision to stop offering pension insurance products and to focus its pension strategy completely towards providing services to the APF. With its Retirement Services solutions Achmea keeps a competitive offer to the pension market. It has created a closed-book Pensions which it will integrate with the existing closed-book Life. The closed book organisation focuses on further cost management and on optimising free cash flows while maintaining the current high customer satisfaction scores. When it comes to new business, Achmea is focusing exclusively on term life insurance policies (ORV) and on immediately effective annuities and pensions. These insurance solutions are part of Achmea's proposition for retirement services. Gross written premiums from Achmea's Pension & Life activities represent 9% of total GWP¹².

International

Achmea operates in five markets outside the Netherlands: Greece, Turkey, Slovakia, Ireland and Australia. In Greece, Interamerican Greece offers non-life, life and health products and services as well as an integrated roadside assistance service. Wholly-owned Eureko Sigorta in Turkey offers a full range of non-life and health products through the banking channel. Union Slovakia provides travel insurance products besides offering a product portfolio of non-life, health and life products in Slovakia. Friends First has a long-standing presence in Ireland and provides a comprehensive range of Pensions, Investments, and Protection products through its network of brokers. Achmea was granted a licence at the end of 2013 to sell insurances in Australia. Under the brand name Achmea Australia, Achmea sells non-life insurance products and services to amongst others Rabobank's agricultural customers in Australia.

Other Activities

The Other Activities segment includes Achmea's strategic investments, the results of its Shared Service Centers, activities at the holding company level, Achmea Reinsurance, Syntrus Achmea Real Estate & Finance and Independer.

Organisation structure

The shareholder structure of the Achmea Group is as follows as of 31 December 2016. The percentages reflect the voting rights in the General Meeting of Shareholders of Achmea.

	Voting rights	Capital rights
Vereniging Achmea (directly and through STAK)	61.63%	65.31%
Rabobank	27.57%	29.21%
BCP Pension Fund	2.61%	2.77%
Gothaer Allgemeine Versicherung	0.49%	0.52%
Gothaer Finanz Holding	0.56%	0.59%
Schweizerische Mobiliar Holding	0.65%	0.69%
Stichting Beheer Aandelen Achmea	0.86%	0.92%
Achmea Tussenholding B.V.*	5.63%	-

* Preference shares.

¹² Annual Report 2016

Corporate Governance

Achmea adheres to the following relevant corporate governance codes: the Dutch Corporate Governance Code, the Insurers' Code, the Achmea Code of Conduct and the Dutch Banking Code.

Corporate Governance Code

Since 1 January 2004, listed companies in the Netherlands have been required to report on compliance with the Dutch Corporate Governance Code on a 'comply or explain' basis. Although Achmea is not a listed company, it has voluntarily adopted and embedded the majority of the Code's principles in its governance structure. Where applicable, Achmea is almost fully in compliance with the principles and best practices. This description refers to the best practice provisions of the Dutch Corporate Governance Code that apply to the Issuer for the fiscal year ended 31 December 2016. The Dutch Corporate Governance Code was revised as per 1 January 2017, and in Achmea's annual report for the fiscal year ended December 31, 2017, Achmea will report on its compliance with this revised Code. In 2016, it did not fully comply with the following three principles of the Dutch Corporate Governance Code:

- **The duration of the appointment of members of the Executive Board (principle II.1.1.):** The Code recommends that members of the Executive Board be appointed for four-year terms. The only exception, where Achmea does not comply with this principle, is the term of the Chairman of the Executive Board. He was appointed for an indefinite period. This indefinite appointment will be honored by Achmea.
- **The independence of members of the Supervisory Board (principle III.2.2.):** Although all members of Achmea's Supervisory Board fulfil their duties without obligation and compulsion, two of the eight members of the Supervisory Board of Achmea B.V. did not comply with principle III.2.2.f. because they are members of an executive board or supervisory board of an organisation holding more than 10% of the shares in Achmea. Members of Achmea's Supervisory Board are nominated by its shareholders (i) Vereniging Achmea, (ii) Rabobank, (iii) Gothaer Allgemeine Versicherung, Gothaer Finanz Holding and Schweizerische Mobiliar Holding jointly, and by the Central Works Council (COR). Mr De Weijer was nominated by Vereniging Achmea and also serves on the board of Vereniging Achmea, which is composed of customers' representatives. However, this relationship is considered appropriate for Achmea because of its identity as a cooperative and the relationship with shareholders, whose focus is more on the interests of the customer and Achmea's continuity. Ms Hofsté was nominated by the Central Works Council in 2015 and joined the Rabobank Supervisory Board in late December 2016. No single group of members of the Supervisory Board nominated by individual shareholders or the Central Works Council has a majority on the Supervisory Board. Members of the Supervisory Board are nominated by the General Meeting based on their expertise and independence and take part in the meetings without reference to or prior consultation with the parties that nominated them.
- **The chairmanship of the Audit Committee (principle III.5.6.):** Effective 9 August 2016, Mr A. Veenman was appointed chairman of the Achmea B.V. Supervisory Board and he resigned as chairman of the Audit & Risk Committee on 2 December 2016, as soon as the appointment process of his successor, Mr R. Wijmenga, was completed. For a period of 4 months during the appointment and approval process of Mr R. Wijmenga, Mr A. Veenman was chairman of the Supervisory Board and chairman of the Audit & Risk Committee at the same time. During this period the abovementioned principle was not complied with.

The manner in which Achmea has adopted and embedded the Corporate Governance Code was discussed with, and has been approved by, the Supervisory Board. The General Meeting has likewise approved Achmea's current corporate governance structure.

Insurers' Code

The Dutch Association of Insurers published the Governance Principles for Insurers on 15 December 2010, also known as the ‘Insurers’ Code’. It sets out the principles of corporate governance, risk management, auditing and remuneration policy for Dutch insurance companies. The distinguishing principles (taken from the Insurers’ Code of Conduct which was terminated on 1 January 2016) relating to the conscientious treatment of customers and the permanent education of directors and internal supervisors, are included in the Insurers’ Code of Conduct. This Code of Conduct (the latest version; 2015) combines existing and new self-regulation of the sector with general provisions, including core values and rules of conduct. Based on the Code of Conduct, insurers give more depth to their public role based on their corporate vision. Achmea is doing this by means of, for example, the identity and strategy map, and has integrated this into its processes and the Achmea Code of Conduct.

Achmea Code of Conduct

Achmea aims to be a leader in terms of its own rules of conduct and in terms of anticipating current and new regulations. For example, it requests that all employees take a special oath or affirmation for the financial industry, which is in line with the Achmea identity. Active control exercised to foster integrity and prevent integrity violations and fraud reduces any negative impact on trust and returns, as well as limiting the cost of claims. Achmea therefore drew up a company Code of Conduct to ensure ethical conduct in accordance with Achmea’s values and standards. A copy of the Achmea Code of Conduct is available at www.achmea.nl. The recording of duties and responsibilities in the area of fraud, risk management and checks, guarantees the control and limitation of fraud. Should an ethics violation or incident of fraud nevertheless occur, this can be reported on a confidential basis. A whistleblower policy, a copy of which is available at www.achmea.nl, is in place for this purpose.

Dutch Banking Code

The services Achmea provides to its customers also include banking activities, which Achmea provides through Achmea Bank N.V. and Staalbankiers N.V. The Banking Code (2015), Het Maatschappelijk Statuut (the Social Charter) and the rules of conduct associated with the Bankers’ Oath together make up the Future-Oriented Banking (*Toekomstgericht Bankieren*) package. The purpose of this package is to play a key role in restoring trust in society in relation to banks and their roles in the community. Achmea Bank N.V. and Staalbankiers N.V. comply with virtually all the requirements under the Code. Achmea Bank N.V. and Staalbankiers N.V. account for their compliance with the principles from the Banking Code through their websites, www.achmeabank.nl, www.achmeabank.com and www.staalbankiers.nl. In doing so, specific examples were used to illustrate how the principles were complied with. In those cases where a principle was not applied, or not applied completely, this is supported by reasons on the website.

Agreement among the largest shareholders of Achmea

Following strategic agreements between Rabobank, Vereniging Achmea and Achmea in 2011, parties have agreed that the business cooperation between Rabobank and Achmea shall be based on a preferential partnership rather than on exclusivity. Furthermore, adjustments have been made to the articles of association of Achmea that require that certain decisions as explained below must have the approval of 80% of the votes in the General Meeting of Achmea.

Amongst others, the following decisions of the Executive Board of Achmea need the prior approval from the supervisory board and the General Meeting, where the General Meeting needs to resolve positively with a qualified majority of 80% of the votes and with observance of an 80% quorum:

1. crucial strategic resolutions that contain a fundamental change in course in the strategy of the company or changing the character of the company and/or affecting the interests of Rabobank materially including decisions to enter into or terminate strategic participations and/or lasting cooperation agreements.

2. the acquisition or the selling of interests or of assets if these have a financial impact of more than €250 million.

In addition to the above, Achmea and Rabobank have the right to nominate members for appointment in each other's supervisory boards.

Supervision

With the introduction of Solvency II on 1 January 2016 Achmea is under group supervision by the Dutch Central Bank, the 'DNB' (*De Nederlandsche Bank N.V.*), as Achmea is the holding company of several (re) insurance subsidiaries. In such cases, supervision of the individual insurance firms in the group is supplemented by supervision of the group as a whole. This means that almost all elements of Solvency II are, *mutatis mutandis*, applied to the group (Section 3:285 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*)). In addition, Achmea is subject to supervision by the DNB under the Dutch Financial Supervision Act on the basis of the rules for supervision of financial conglomerates. Please note that several group companies of Achmea are subject to direct supervision of the 'AFM' (*Autoriteit Financiële Markten*), and/or the DNB and are also subject to the Dutch Financial Supervision Act.

Supervisory and Executive Board

The Executive and Supervisory Boards of Achmea are composed as follows. Any principal activities performed by members of the Executive and Supervisory Boards are mentioned as well after their respective names.

Executive Board

Members of the Executive Board are appointed by the Supervisory Board on the non-binding nomination of the (indirect) A-shareholder: Vereniging Achmea. Executive Board members are selected based on their proven experience and competence in the financial services industry where Achmea strives for recruitment within the organisation for the appointment of members of the Executive Board. The members of the Executive Board provide a good mix of specific insurance experience (health, non-life, life & pensions) and experience in the public/private market (healthcare, pensions) and the various distribution channels (direct, broker and bancassurance), as well as areas such as Finance, IT and HR. All current Achmea Executive Board members match the general profile for members of the Executive Board and have been approved by the Dutch regulators.

The Executive Board is comprised of six members (five male and one female). Achmea aims to establish a good male/female ratio on the Executive Board. In addition to the aim of maintaining a balance in the Executive Board's skills while ensuring at the same time that newly appointed members have the experience required in terms of insurance, financial and risk experience, improving gender diversity is included in considerations regarding the filling of Executive Board vacancies. The advancement of women to top positions remains a priority in successor planning for the Executive Board and the management level immediately below the Executive Board. Although Achmea recognises the importance of greater gender diversity and quality, maintaining and strengthening the right mix of skills remain the key decisive factors in the selection process.

W.A.J. van Duin (chairman)

- Member of the Board of European Alliance Partners Eurapco, Zürich – Switzerland
- Vice Chairman of the Board Dutch Association of Insurers (Verbond van Verzekeraars VvV), The Hague - The Netherlands
- Chairman Supervisory Board Dutch Reinsurance for Terrorism (NHT), The Hague – The Netherlands
- Member of the Strategic Board of Insurance Europe, Brussels - Belgium
- Board member Dutch Organisation of Employers, (VNO-NCW, Vereniging van Nederlandse Ondernemers - Nederlands Christelijk Werkgeversverbond), The Hague - The Netherlands

- Board Member Dutch Cooperative Council for Agriculture, (NCR - Nationale Coöperatieve Raad voor Land- en Tuinbouw), Utrecht - The Netherlands
- Board Member of the Achmea Foundation, Zeist – The Netherlands
- Board Member of the Stichting Beheer Aandelen Achmea, Zeist - The Netherlands
- Member Supervisory Board Health Insurance Fund (HIF), Amsterdam - The Netherlands
- Vice Chairman EMEA International Federation of Health Plans (IFHP), London - UK
- Representative of Achmea in the Geneva Association
- Board Member of the Association RVS, Monte-Carlo, Monaco

R. Konterman (vice-chairman)

- Member Supervisory Boards of Independer and De Friesland Zorgverzekeraar
- Member Supervisory Board of Scout 24
- Member Advisory Board of the Amsterdam Health & Technology Institute
- Member Innovation Platform PGGM – The Netherlands

M.A.N. Lamie (CFO)

- no additional activities

H. Timmer (CRO)

- Member of the Expert Group on Security of Stichting Maatschappij en Veiligheid
- Representative of Achmea in the CRO Forum which is a group of professional risk managers representing the European insurance industry which focuses on developing and promoting best practices in Risk Management

R. Otto

- Board Member of online retailer Thuiswinkel.org
- Chairman of Sectorbestuur Schade (Non-Life Insurance Industry Board) of the Dutch Association of Insurers (Verbond van Verzekeraars)
- Chairman of the Supervisory Boards of Hagelunie and InShared
- Member Supervisory Board Achmea Reinsurance Company N.V.
- Chairman Supervisory Board Eureko Sigorta – Turkey
- Board Member AMICI

B.E.M. Tetteroo

- Member Supervisory Board of De Kunsthal

Supervisory Board

The Supervisory Board currently has 8 members. Members are appointed by the General Meeting of Shareholders for four years. They can be reappointed twice for a further four-year term. The composition of the Supervisory Board and nominations in the event of vacancies reflect the cooperative shareholder structure and employee participation through Achmea's Central Works Council. In conjunction with the shareholders, the company decided in 2013 to reduce the maximum number of Supervisory Board members from twelve to nine to ten members, which coincided with a reduction in the number of nominations made by majority shareholders. Vereniging Achmea is authorised to nominate candidates for four¹³ seats on the Supervisory Board, one member of which is appointed on the recommendation of De Friesland Zorgverzekeraar (DFZ)¹⁴. As a result of the merger between the shareholder of DFZ (Vereniging De Friesland Zorgverzekeraar) and Vereniging Achmea and the subsequent transfer of DFZ's operations to

¹³ Effective 31 December 2016: Veenman, Van Lonkhuijzen, De Weijer, vacancy

¹⁴ Van Lonkhuijzen

Achmea, DFZ's right of nomination passed to Vereniging Achmea. As the indirect holder of the A-share, Vereniging Achmea also has the right to appoint the chairman from among the members of the Supervisory Board. Rabobank may nominate candidates for two¹⁵ seats. Gothaer Allgemeine Versicherung, Gothaer Finanz Holding and Swiss Mobiliar have the right to jointly nominate one candidate. The Central Works Council appointed three members of the Supervisory Board effective 31 December 2016¹⁶. This arrangement is in keeping with the legal framework of the Central Works Council's right of recommendation. The Central Works Council is entitled to directly nominate three members based on a total of nine to ten members of the Supervisory Board. The members of the Supervisory Board intend to attend a meeting of the Central Works Council at least once a year. All the proposed changes to the composition of the Supervisory Board are submitted for approval to the General Meeting and discussed with the Central Works Council.

The Supervisory Board currently has eight members, with one vacancy. In filling these positions, the company's objective is to maintain a balanced mix of skills in the Supervisory Board while at the same time ensuring that the newly appointed member also has the required insurance, financial and risk management experience. Members of the Supervisory Board are selected and appointed based on a profile of the required professional background, education, experience (international experience), skills, diversity and independence. The current composition of the Supervisory Board is such that the members can perform their duties properly because of the appropriate mix of experience and expertise. As of 31 December 2016, the Supervisory Board consisted of four male and four female members.

In addition to diversity in terms of knowledge, expertise and age, there is also gender diversity. Achmea's Supervisory Board therefore meets the legal requirement regarding gender diversity. All members of the Supervisory Board are in compliance with the Management and Supervision (Public and Private Companies) Act in terms of the number of supervisory board memberships that they hold.

A.W. Veenman, chairman	<ul style="list-style-type: none"> • Member of the Audit & Risk Committee Achmea B.V. • Member Supervisory Board Achmea Schadeverzekeringen N.V. • Chairman Supervisory Board and Member Audit Committee of TenneT B.V. • Chairman and representative of the government-designated 'Topsector Logistiek' • Chairman of Topteam Technology Base Twente • Board Member Stichting Continuïteit SBM off shore • Member Supervisory Board SURF (ICT for universities and colleges) • Chairman NINTES
A.J.A.M. Vermeer, deputy chairman	<ul style="list-style-type: none"> • Chairman Supervisory Board Achmea Schadeverzekeringen N.V. • Member Remuneration Committee and Selection & Appointments

¹⁵ Vermeer and Wijmenga

¹⁶ Lückcrath, Sneller and Hofsté

- Committee of Achmea B.V.
- R.Th. Wijmenga
- Co-owner of a dairy farm
 - Chairman of the Audit & Risk Committee Achmea B.V.
 - Chairman Supervisory Board Achmea Pensioen & Levensverzekeringen N.V.
 - Member Supervisory Board Achmea Schadeverzekeringen N.V.
 - Chairman Philips Pensioen Fonds
 - Member Supervisory Board and Member Audit Committee of Bouwinvest
- W.H. de Weijer
- Chairman Supervisory Board of Achmea Zorgverzekeringen N.V. and its subsidiaries
 - Board Member Vereniging Achmea
 - Deputy Chairman Supervisory Board and Member Audit Committee of PGGM N.V.
 - Chairman Supervisory Board of Wielco B.V.
 - Member Supervisory Board of ADG
 - Advisory board member of participations at NPM Capital
 - Member Supervisory Board of Domuncule B.V.
 - Board Member Stichting Kinderopvang Noord-Holland
 - Director/ Owner W. de Weijer, board advice
- S.T. van Lonkhuijzen-Hoekstra
- Member Supervisory Board of Achmea Zorgverzekeringen N.V. and its subsidiaries (per 1 May 2017)
 - Chairman Curatorium Post doctorale opleiding verander management VU
 - Chairman Stichting VOOR
- M. Lückerath-Rovers
- Member Supervisory Board Achmea Pensioen- en Levensverzekeringen N.V.
 - Professor Corporate Governance Tilburg University/TiasNimbas
 - Member Supervisory Board ASN Investments Funds
 - Member Supervisory Board Greenfund ASN Bank

- Member of the Board Dutch Payments Association (*Betaalvereniging Nederland*)
- Member Supervisory Board and Member Audit Committee of the Royal Dutch Guide Dog Foundation
- Member of the Pension Fund Code Monitoring Committee
- Member of the editorial board of the Corporate Governance Yearbook

A.C.W. Sneller

- Member Audit & Risk Committee Achmea B.V.
- Member Supervisory Board Achmea Zorgverzekeringen N.V. and its subsidiaries
- Professor of Accounting Information Systems and Management Accounting at Nyenrode Business University
- Member Supervisory Board ProRail
- Member Supervisory Board CCV
- Non-executive director at Ortec

P.H.M. Hofsté

- Member Audit & Risk Committee Achmea B.V.
- Member Supervisory Board Achmea Pensioen- en Levensverzekeringen N.V.
- Chairman Supervisory Board Achmea Bank N.V.
- Member Supervisory Board Achmea Investment Management N.V.
- Member Supervisory Board and Audit Committee Rabobank
- Member Supervisory Board BNG Bank N.V.
- Member Supervisory Board and Chairman Audit Committee Kasbank N.V.
- Member Supervisory Board and Audit Committee Fugro N.V.
- Member of the Board and Executive Committee and Chairman Audit Committee of Stichting Nyenrode
- Member of the Board of Vereniging Hendrick de Keyser
- Chairman of the Risk Management Advisory Board for Banking Regulations of the Netherlands Enterprise Agency (RVO)
- Member Advisory Board Amsterdam Institute of Finance
- Member NBA-VRC programme council

- Member Advisory Board Msc Accounting & Control, Faculty of Economics VU

All members of the Executive and Supervisory Board elect domicile at Achmea B.V, Handelsweg 2 (3707 NH), the Netherlands.

At present there are no conflicts or potential conflicts of interest between any duties of the Executive Board and/or the Supervisory Board of Achmea and their private interests and/or other duties of members of the Executive Board and/or the Supervisory Board of Achmea. Members of the Executive Board and/or Supervisory Board may, however, obtain financial services from the Achmea Group. Further, internal rules are in place for the situation in which a conflict of interest should arise.

Audit & Risk Committee

The Audit & Risk Committee is a committee of the Supervisory Board and consists of at least three members of the Supervisory Board. The Audit & Risk Committee currently consists of Mr R.Th. Wijmenga (chairman), Mr A.W. Veenman, Ms P.H.M. Hofsté, and Mrs. A.C.W. Sneller. It meets at least seven times a year, next to at least one meeting a year with solely the external auditors. The external auditors may request an additional meeting if they consider this necessary without management being present. Meetings of the Audit & Risk Committee are attended by the Chairman of the Executive Board, the Chief Financial Officer, the Chief Risk Officer and the external auditor. At the Chairman's request, the directors of Internal Audit, Finance, Compliance and Risk Management are invited to discuss the agenda items relevant to them. Specialists may be invited to attend part of the meeting for discussions on specific topics.

Responsibilities and duties

The Audit & Risk Committee advises the Supervisory Board in fulfilling its supervising responsibilities.

Therefore the Audit & Risk Committee reviews, amongst others:

- (i) (the integrity of) the Group's financial reporting process;
- (ii) the Group's actuarial reporting and modelling;
- (iii) the effectiveness of the Group's internal controls;
- (iv) the Group's risk management processes;
- (v) the effectiveness of the compliance processes with regard to regulatory issues;
- (vi) the external audit processes; and
- (vii) any other matters as directed by the Supervisory Board.

Share capital

The authorised share capital as of 31 December 2016 comprises of 2,103,943,009 ordinary shares, 1 A share and 60,000,000 preference shares. The issued share capital as of 31 December 2016 is €434,724,233 and consists of 410,820,173 ordinary shares, 1 A share and 23.904.060 preference shares as of 31 December 2016. All issued shares have been paid up in full.

The largest shareholder of the ordinary shares and holder of the A share of Achmea is Vereniging Achmea (directly and through Stichting Administratiekantoor Achmea, the shareholder that has issued depository receipts for shares to Vereniging Achmea), holding 61.6% of the voting rights as of 31 December 2016.

There are special rights attached to the A share. Certain shareholders resolutions require the approval of the holder of the A Share, as further set out in the Articles of Association, and including, without limitation, resolutions relating to the share capital of Achmea, mergers and the dissolution.

Each of the holders of ordinary shares, the A share and the preference shares are entitled to receive dividends as declared from time to time as well as to distributions upon liquidation of Achmea. The ordinary shares and the A share carry identical financial rights and each of these shares is entitled to one vote at the General Meetings of Shareholders of Achmea. In addition, the A share is entitled to the special rights described above.

The preference shares in the share capital of Achmea B.V. are held by Achmea Tussenholding B.V. All shares in Achmea Tussenholding B.V. are held by Stichting Administratiekantoor Achmea Tussenholding that, in turn, has issued share certificates to investors. The investors are therefore the recipients of dividends paid on the preference shares; they do not have voting rights in the General Meeting of Shareholders of Achmea. These lie with Achmea Tussenholding B.V.

The Articles of Association of Achmea B.V. contain the following provisions regarding appropriation of results. The result will be appropriated pursuant to Article 34 of the Articles and the provisions of this article can be summarised as follows:

- The profit shall be at the disposal of the General Meeting;
- Profit may only be distributed to shareholders and other persons entitled to distributable profits to the extent that its equity exceeds the total amount of its issued share capital and the reserves to be maintained pursuant to the law. The distribution of profit must be approved by the Executive Board. The latter will only withhold its approval if it is aware that, or should reasonably be able to anticipate that, the company, upon payment, will not be able to continue paying its due and payable debts;
- If the General Meeting decides on the distribution of dividends, first of all, if possible, a dividend equal to 3.7% of the nominal amount shall be paid to preference shareholders plus the share premium paid-up upon issue. Terms on the percentage will be reviewed every ten years. The next review will take place before 1 January 2024;
- Subject to the approval of the Supervisory Board, the Executive Board shall be authorised to increase the above mentioned percentage determined in February 2014 each year with a maximum of 1.8%;
- If no dividend in cash is distributed, a dividend in the form of preference shares can be resolved upon instead;
- If the General Meeting decides on the distribution of dividend and dividend on preference shares has not been paid in previous years, cash dividends shall first be paid to preference shareholders on these previous years, before any distribution can take place on other shares.

Shares subject to option and derivative agreements

Pursuant to certain share repurchase agreements, several shareholders of Achmea B.V. have the right to sell their shares on market-based conditions during a certain timeframe to third parties which are not related to Achmea B.V. When an option is exercised, Achmea B.V. has the subsequent right to purchase these shares or to enter into a derivative transaction with the purchasing third party. Pursuant to this transaction Achmea B.V. will pay the purchaser an upfront premium equal to the settlement amount due by the purchaser to the selling shareholder under the related option. During the life of the derivative transaction, Achmea B.V. will receive all dividends distributed to the third party in return for a fixed fee. Upon unwinding of the derivative transaction, Achmea B.V. will receive from the purchaser the upfront premium paid adjusted for part of the change in value of the Achmea B.V. shares held by the third party during the life of the derivative transaction.

The options can be settled in the form of a perpetual or a 30 year subordinated debt instrument. The options can be exercised until the date of listing of Achmea on a stock exchange. In total 6,824,836 Achmea shares remain subject to the option and derivative agreements as of 31 December 2016.

Litigation

General

Achmea B.V. and companies forming part of Achmea are involved in lawsuits and arbitration proceedings. These proceedings relate to claims instituted by and against these companies arising from ordinary operations and mergers, including the activities carried out in their capacity as insurers, credit providers, service providers, employers, investors and tax payers. Although it is not possible to predict or define the outcome of pending or imminent legal proceedings, the Executive Board believes that, other than as set out below, it is unlikely that the outcome of the actions will have a material, negative impact on the financial position of Achmea B.V.

Tax dispute

In 2009, Achmea announced that it had successfully concluded a settlement and divestment agreement with the Polish government. The settlement followed an arbitration proceeding with the Polish government for the protection of its investment in PZU before the International Court of Arbitration. Following the settlement of the dispute with the Polish government over PZU there is a difference in opinion between Achmea and the Dutch tax inspector on the treatment for corporate income tax purposes of that part of the proceeds of the sale of its stake in PZU that Achmea had received from the Polish government. As Achmea and the tax inspector have not been able to settle their differences, the Dutch Court has been asked to provide a ruling on this matter. Achmea is confident that it has good arguments. If, however, the Dutch Court rejects the position of Achmea this could potentially have a negative impact of a maximum of €98 million on the after tax income.

Unit-linked Products

Since 2006, an issue has arisen in the Netherlands regarding the costs of investment insurance policies (*beleggingsverzekeringen*), such as the life insurance policies with a Unit-Linked Alternative, commonly known as the "usury insurance policy affair" (*woekerpolisaffaire*). It is generally alleged that the costs of some of these products are disproportionately high, that in some cases a legal basis for such costs is lacking and that the information provided to the insured regarding these costs has not been transparent which is considered an alleged misselling issue. In 2010, Achmea reached agreement with certain customer interest groups in the Netherlands. The discussion related to these investment insurance policies is still continuing.

In March 2014 and again in the beginning of 2017, a class action organisation has stated in the media that it will start a lawsuit against (certain predecessors of) Achmea Pensioen- en Levensverzekeringen N.V. based on a ruling of the Financial Services Complaints Tribunal (KiFiD) in an individual case. Up to the date of this prospectus Achmea has not yet received a notice of liability from or been served with a writ of summons by this class action organisation.

Achmea recognises a provision of € 96 million at the balance sheet date of 31 December 2016 for the estimated liability with respect to these unit-linked policies.

Conflict between the Slovak Government and Achmea B.V.

In contradiction of an agreement to encourage investments between the Slovak Republic and the Netherlands, the Slovak government has enforced a ban on the distribution of profit on Slovak health insurers, including Achmea's Slovak subsidiary Union Zdravotná Poist'ovna A.S., in the period between 2007 and August 2011. Achmea sought compensation for the incurred loss and statutory interest paid

through an international arbitration tribunal. In December 2012 the arbitration tribunal decided in favour of Achmea. Under this decision the Slovak Government is required to compensate Achmea for damages incurred and the statutory interest paid. The compensation amounted to approximately €25 million. The Slovak Government has publicly stated that it will not pay the amounts awarded to Achmea and has submitted the arbitration verdict for annulment to a German Court. In the first court hearing, the annulment request of the Slovak Republic has been rejected. The Slovak Government has appealed against this judgment to the Bundes Gerichtshof in Karlsruhe. The Bundes Gerichtshof raised some legal issues with the European Court of Justice. Based on the ruling of the European Court of Justice, which is expected in the second half of 2017, the Bundes Gerichtshof will deliver its judgment. Because of the continuing statutory interest, Achmea's claim now amounts to approximately €30 million. In view of the above, Achmea does not consider the receivable amount to be sufficiently certain to recognise it as an asset.

Recent developments

Our objective: delivering together

The Acceleration & Innovation programme has made Achmea's company more efficient and improved Achmea's foundation. Using the motto 'Delivering together', Achmea builds with confidence on this robust foundation for the period 2017-2020. In some aspects, Achmea's future business will look different from today:

- Achmea provides more than insurance products alone: a broad range of services for (financial) security. At a good price, with top-level service, even greater convenience through digital, innovative solutions – mainly relating to security and mobility and assistance in preventing loss.
- Achmea will become a smaller, more compact, digital group, offering strong brands and a unique market position. This results in customer appreciation and a strong financial performance.
- Achmea works differently and stands out by its expertise, connections with partners, fast and flexible way of working, and lower expenses. Operating as a data-driven and technology-driven company. It provides products and services which make society safer, healthier and more sustainable. Supported by employees who enjoy working for Achmea.

The translation of Achmea's strategy in submarkets differs. Each supply chain comes with its own set of challenges and is at a different stage of development. Each with its own matching roles and accents. Achmea therefore chooses – in addition to strengthening the business – to enhance the strategic role of the various business segments.

Centraal Beheer Algemeen Pensioenfonds (CB APF) granted licence by DNB

On 18 July 2016, DNB granted a licence to Centraal Beheer Algemeen Pensioenfonds (CB APF). The granting of the licence marks an important milestone for Achmea in implementing its strategy for retirement provision. The CB APF is a new alternative in the pension sector and can provide a number of pension schemes with segregated assets. This makes the CB APF a cost-saving form of collaboration with the aim of generating higher income for participants. The participants share the risks and rewards collectively. Achmea will provide asset management and administrative services to CB APF. In terms of asset management, the Centraal Beheer General Pension Fund works with Achmea Investment Management, one of the largest pension investors in the Netherlands, and through them, also with nine large specialist asset managers.

Change in rating by S&P

Standard & Poor's (S&P) downgraded Achmea B.V.'s rating by one notch in July 2016, to a BBB+ rating. The ratings of the most important insurance entities have consequently been adjusted to an A rating. Achmea Reinsurance Company and Achmea Bank hold an A- (A minus) rating. In February 2017 the outlook was adjusted to 'negative' by S&P.

Discontinued operations

- Phase-out of pension management activities to mandatory sector pension funds

On 3 November 2016, Syntrus Achmea Pensioenbeheer announced to gradually phase-out the pension management administration services to mandatory sectoral pension funds and to focus its strategy on providing services to company and occupational pension funds, which is part of the strategy for retirement services.

On 14 July 2017, Achmea announced that five sector-wide pension funds will make use of the collective transitional scheme of Achmea and Centric, with effect from 1 September 2017. Centric will be providing the pension administration, financial administration, management support, legal advice and pension communication for the five funds, which have a total of 190,000 members. The scope of the services provided under the collective transitional scheme may differ per fund. Approximately 85 Syntrus Achmea Pensioenbeheer employees will move to Centric.

- Achmea sells private banking activities Staalbankiers to Van Lanschot

On 9 August 2016, Achmea and Van Lanschot announced that they reached agreement on the acquisition by Van Lanschot of the private banking activities of Staalbankiers. On 15 December 2016 the sale was successfully completed and all conditions were met. DNB has issued declarations of no-objection to Van Lanschot and Staalbankiers, while the respective works councils have also given the go-ahead.

Georgette Fijneman appointed Divisional Chair at Zilveren Kruis

On 11 July 2017, Georgette Fijneman was appointed divisional chair of the health insurer, Zilveren Kruis, with effect from 1 August 2017. She succeeds Norbert Hoogers, who has decided to leave Achmea.

Other than as set out above, there have been no principal developments since the date of the last published audited annual accounts.

Selected Financial Information of Achmea

Achmea's publicly available audited annual consolidated financial statements for the year ended 31 December 2016 (set forth on pages 96 up to and including 263 of the annual report in the English language) and Achmea's publicly available audited annual consolidated financial statements for the year ended 31 December 2015 (set forth on pages 98 up to and including 252 of the annual report in the English language) are incorporated by reference into this Base Prospectus. See also "Incorporation by reference".

Independent Auditors

The consolidated financial statements of Achmea for 2016 and 2015 have been audited by PricewaterhouseCoopers Accountants N.V. In accordance with Section 393 of Book 2 of the Dutch Civil Code, PricewaterhouseCoopers Accountants N.V. has given an unqualified audit opinion for each of these years.

Key Figures of Achmea

<i>(amounts in millions of EUR)</i>	31-12- 2016 (audited)	31-12- 2015 (audited)
Achmea		
Gross Written Premium	19,500	19,922
Net Profit	-382	386
Profit Before Tax	-418	378
Non-life Netherlands		

Gross Written Premium	3,184	3,139
Profit Before Tax	-189	-7
Claims ratio (%)	78.9	73.2
Expense ratio (%)	28.2	28.4
Combined ratio (%)	107.1	101.6
Health Netherlands		
Gross Written Premium	13,092	13,488
Profit Before Tax	-196	271
Combined ratio Basic Health (%) ⁵	102.2	98.7
Expense ratio Basic Health (%) ⁵	3.0	3.2
Claims ratio Basic Health (%) ⁵	99.2	95.5
Combined ratio Supplementary Health (%) ⁵	98.1	96.4
Expense ratio Supplementary Health (%) ⁵	8.9	9.1
Claims ratio Supplementary Health (%) ⁵	89.2	87.3
Pension & Life Netherlands		
Gross Written Premium	1,794	1,848
Profit Before Tax	285	144
Retirement Services		
Profit Before Tax	-18	13
International		
Gross Written Premium	1,192	1,124
Profit Before Tax	-68	49

Ratings

The current rating of Achmea B.V. has been affirmed by S&P (BBB+/Negative/--).

Key ratios

Group		
	31-12-2016	31-12-2015
Eligible Own Funds (€ million)	8,345	9,167 ⁵
Solvency Capital Requirement	4,623	4,688 ⁵
Solvency (II) Partial Internal Model (%)	181	196 ⁵
	2016	2015
Debt leverage ⁵ (%)	26.4	25.5
Banking (in %)⁵		
Common Equity Tier 1 ratio Achmea Bank N.V. ¹	19.1	16.7
Figures per ordinary share (€)		
Earnings per share	-1.13	0.81
(Proposed) dividend on ordinary shares	0	0.36
EMPLOYEES		
Full-time equivalents (FTEs)	14,921	15,412
CREDIT RATING^{2/5}		
Rating Achmea B.V. ⁴	BBB+	A-
Rating insurance entities ³	A	A+
Rating Achmea Bank N.V.	A-	A

¹ Dutch activities

² Standard and Poor's

³ Insurance activities include Achmea Pension & Levensverzekeringen N.V., Achmea Schadeverzekeringen N.V., and Achmea Zorgverzekeringen N.V. The rating is the Insurance Financial Strength Rating.

⁴ Counterparty Credit Rating

⁵ Unaudited numbers

TAXATION

Netherlands Taxation

General

The following is a general summary of certain Netherlands tax consequences of the acquisition, holding and disposal of the Instruments. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Instruments and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution. Holders or prospective holders of Instruments should consult with their tax advisers with regard to the tax consequences of investing in the Instruments in their particular circumstances. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and published regulations, whereby the Netherlands means the part of the Kingdom of the Netherlands located in Europe, as in effect on the date hereof and as interpreted in published case law until this date, including, for the avoidance of doubt, the tax rates and brackets applicable on the date hereof, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

Withholding tax

All payments of principal and/or interest made by the Issuer under the Instruments may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, unless the Instruments qualify as equity of the Issuer for Netherlands tax purposes.

Taxes on income and capital gains

Please note that the summary in this section does not describe the Netherlands tax consequences for:

(i) holders of Instruments if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest (in Dutch: "*aanmerkelijk belang*") or deemed substantial interest (in Dutch: "*fictief aanmerkelijk belang*") in the Issuer under The Netherlands Income Tax Act 2001 (in Dutch: "*Wet inkomstenbelasting 2001*"). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;

(ii) pension funds, investment institutions (in Dutch: "*fiscale beleggingsinstellingen*"), exempt investment institutions (in Dutch: "*vrijgestelde beleggingsinstellingen*") (as defined in The Netherlands Corporate Income Tax Act 1969; in Dutch: "*Wet op de vennootschapsbelasting 1969*") and other entities that are exempt from Netherlands corporate income tax; and

(iii) holders of Instruments who are individuals for whom the Instruments or any benefit derived from the Instruments are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in The Netherlands Income Tax Act 2001).

Residents of the Netherlands

Generally speaking, if the holder of Instruments is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes, any payment under the Instruments or any gain or loss realised on the disposal or deemed disposal of the Instruments is subject to Netherlands corporate income tax at a rate of 20% with respect to taxable profits up to €200,000 and 25% with respect to taxable profits in excess of that amount.

If a holder of Instruments is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes (including the non-resident individual holder who has made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands), any payment under the Instruments or any gain or loss realised on the disposal or deemed disposal of the Instruments is taxable at the progressive income tax rates (with a maximum of 52%), if:

- (i) the Instruments are attributable to an enterprise from which the holder of Instruments derives a share of the profit, whether as an entrepreneur or as a person who has a co-entitlement to the net worth (in Dutch: "*medegerechtigd tot het vermogen*") of such enterprise without being a shareholder (as defined in The Netherlands Income Tax Act 2001); or
- (ii) the holder of Instruments is considered to perform activities with respect to the Instruments that go beyond ordinary asset management (in Dutch: "*normaal, actief vermogensbeheer*") or derives benefits from the Instruments that are taxable as benefits from other activities (in Dutch: "*resultaat uit overige werkzaamheden*").

If the above-mentioned conditions (i) and (ii) do not apply to the individual holder of Instruments, such holder will be taxed annually on a deemed variable return (with a maximum of, currently, 5.39%) of his/her net investment assets for the year at an income tax rate of 30%. The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Instruments are included as investment assets. A tax free allowance may be available. An actual gain or loss in respect of the Instruments is not subject to Netherlands income tax.

For the net investment assets on 1 January 2017, a deemed return between 2.87% and 5.39% (depending on the amount of such holder's net investment assets on 1 January 2017) will be applied. The deemed, variable return will be adjusted annually.

Non-residents of the Netherlands

A holder of Instruments that is neither resident nor deemed to be resident of the Netherlands nor has made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Instruments or in respect of any gain or loss realised on the disposal or deemed disposal of the Instruments, provided that:

- (i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in The Netherlands Income Tax Act 2001 and The Netherlands Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Instruments are attributable; and

- (ii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Instruments that go beyond ordinary asset management and does not derive benefits from the Instruments that are taxable as benefits from other activities in the Netherlands.

Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Instruments by way of a gift by, or on the death of, a holder of such Instruments who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

Non-residents of the Netherlands

No Netherlands gift or inheritance taxes will arise on the transfer of Instruments by way of gift by, or on the death of, a holder of Instruments who is neither resident nor deemed to be resident in the Netherlands, unless:

- (i) in the case of a gift of a Note by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (ii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value added tax (VAT)

No Netherlands VAT will be payable by the holders of the Instruments on (i) any payment in consideration for the issue of the Instruments or (ii) the payment of interest or principal by the Issuer under the Instruments.

Other taxes and duties

No Netherlands registration tax stamp duty or any other similar documentary tax or duty will be payable by the holders of the Instruments in respect of (i) the issue of the Instruments or (ii) the payment of interest or principal by the Issuer under the Instruments.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and rested dealer agreement dated 14 July 2017 (the “Dealer Agreement”) between the Issuer, the Permanent Dealers and the Arranger, the Instruments will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Instruments directly on its own behalf to Dealers that are not Permanent Dealers. The Instruments may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Instruments may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Instruments to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Instruments subscribed by it. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Instruments on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Instruments. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Instruments in certain circumstances prior to payment for such Instruments being made to the Issuer.

Selling Restrictions

United States

The Instruments have not been and will not be registered under the Securities Act. Instruments in bearer form having a maturity of more than one year are subject to U.S. tax law requirements. Subject to certain exceptions, Instruments may not be offered, sold or delivered within the United States. Each of the Dealers has represented and agreed that it will not offer, sell or deliver an Instrument within the United States except as permitted by the Dealer Agreement.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Instruments, an offer or sale of Instruments within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

From 1 January 2018, unless the Final Terms in respect of any Instruments specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Instruments which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or

- (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive")¹⁸; and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe the Instruments.

Prior to 1 January 2018, and from that date if the Final Terms in respect of any Instruments specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Instruments which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Instruments to the public in that Relevant Member State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer;
- (iii) at any time if the denomination per Instrument being offered amounts to at least €100,000 (or equivalent); or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Instruments shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Instruments to the public" in relation to any Instruments in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe the Instruments, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Instruments which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any

Instruments other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Instruments would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer;

- (b) 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 Instruments in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Instruments in, from or otherwise involving the United Kingdom.

The Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not make an offer of Instruments which are outside the scope of the approval of this Base Prospectus, as completed by the Final Terms relating thereto, to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined above under “Prohibition of Sales to EEA Retail Investors” above) unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act or (ii) standard exemption wording and a logo are disclosed as required by Section 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Instruments shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Zero coupon Instruments in definitive bearer form on which interest does not become due and payable during their term but only at maturity (savings certificates or *spaarbewijzen* as defined in the Dutch Savings Certificates Act or *Wet inzake spaarbewijzen*) (the “SCA”) may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the intermediary of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). However, no such intermediary services are required in respect of (i) the initial issue of such Instruments to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (iii) the issue and trading of such Instruments if they are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

Hong Kong

In relation to each Tranche of Instruments issued by the Issuer, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Instruments other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Winding Up and Miscellaneous Provisions) (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Instruments, which is directed at, or the contents of which are likely to be

accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Instruments which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

No registration pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948) (the “FIEA”) has been made or will be made with respect to the solicitation of the application for the acquisition of the Instruments as such solicitation falls within a Solicitation Only for Qualified Institutional Investors (as defined in Article 23-13 paragraph 1 of the FIEA).

Accordingly, the Instruments have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except in compliance with the requirements for the application of a “Qualified Institutional Investors Private Placement Exemption” under Article 2, paragraph 3, item 2 (a) of the FIEA and the other applicable laws and regulations of Japan.

Pursuant to the Qualified Institutional Investors Private Placement Exemption, the Instruments may not be transferred except to (i) a non-resident of Japan or (ii) a Qualified Institutional Investor (as defined in Article 2, paragraph 3, item 1 of the FIEA).

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Instruments or caused such Instruments to be made the subject of an invitation for subscription or purchase and will not offer or sell such Instruments or cause such Instruments 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 Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Instruments, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Instruments may not be circulated or distributed, nor may Instruments be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Instruments are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

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

- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of 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 Instruments pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (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 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

The Instruments being offered pursuant to this Base Prospectus do not represent units in collective investment schemes within the meaning of the CISA. Accordingly, they have not been registered with the FINMA as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the CISA.

This Base Prospectus does not constitute an "offering prospectus" under article 1156 of the Swiss Code of Obligations. Accordingly, the Instruments may not be offered to the public in or from Switzerland. This Base Prospectus and any other marketing material may not be made available to the public in or from Switzerland.

Neither the Issuer nor any Dealer has applied for a listing of the Instruments being offered pursuant to this Base Prospectus on the SIX Swiss Exchange. Consequently, the information presented in this Base Prospectus does not comply with the information standards set out in the Listing Rules of the SIX Swiss Exchange.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Instruments, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Instruments or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Dealer shall have responsibility therefor.

GENERAL INFORMATION

- (1) Application has been made to the Irish Stock Exchange for Instruments issued under the Programme to be listed and admitted to trading on the regulated market of the Irish Stock Exchange. However, unlisted Instruments may be issued as well pursuant to the Programme.
- (2) The Issuer has obtained all necessary consents, approvals and authorisations in the Netherlands in connection with the establishment and update of the Programme. The establishment and update of the Programme was authorised by resolutions of the Executive Board of the Issuer passed on 26 June 2006 and 8 May 2017 and resolutions of the Supervisory Board of the Issuer passed on 7 September 2006.
- (3) There has been no significant change in the financial or trading position of the Issuer or of the Group since 31 December 2016 and no material adverse change in the financial position or prospects of the Issuer or of the Group since 31 December 2016.
- (4) Except as disclosed in “Litigation – Unit-linked Products” beginning on page 143 and in “Litigation – Conflict between the Slovak Government and Achmea B.V.” on pages 143 and 144 and “Litigation – PZU” on page 144 of this Base Prospectus, neither the Issuer nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer or the Group.
- (5) Each Bearer Instrument having a maturity of more than one year, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (6) Instruments have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Instruments will be set out in the relevant Final Terms.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Euroclear Nederland is Herengracht 459-469, 1017 BS Amsterdam, the Netherlands. The address of any alternative clearing system will be specified in the applicable Final Terms.
- (7) There are no material contracts entered into other than in the ordinary course of the Issuer’s business which could result in any member of the Issuer’s Group being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligations to noteholders in respect of the Instruments being issued.
- (8) Where information in this Base Prospectus has been sourced from third parties this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
- (9) The issue price and the amount of the relevant Instruments will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Instruments.

- (10) For so long as Instruments may be issued pursuant to this Base Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for physical inspection at the specified office of the Fiscal Agent and the Registrar and from the specified office of the Issuer:
- (i) the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Instruments, the Certificates, the Coupons, the Talons);
 - (ii) the Dealer Agreement;
 - (iii) the Trust Deed;
 - (iv) the Articles of Association (*statuten*) of the Issuer;
 - (v) the published annual report and audited consolidated annual accounts of the Issuer for the two financial years ended 31 December 2015 and 31 December 2016;
 - (vi) each Final Terms (save that Final Terms relating to an Instrument which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area in circumstances where a base prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Instrument and such holder must produce evidence satisfactory to the Issuer and the Fiscal Agent as to its holding of Instruments and identity);
 - (vii) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Prospectus;
 - (viii) a copy of the subscription agreement for Instruments issued on a syndicated basis that are listed and admitted to trading on the regulated market of the Irish Stock Exchange; and
 - (ix) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.

The Base Prospectus, the Final Terms for Instruments that are listed and admitted to trading on the regulated market of the Irish Stock Exchange will be published on the website of the Central Bank of Ireland (www.centralbank.ie).

- (11) Copies of the latest annual report and consolidated accounts of the Issuer and the latest interim consolidated accounts of the Issuer may be obtained, and copies of the Agency Agreement and the Trust Deed will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Instruments is outstanding.
- (12) In 2010, the Issuer organised a re-selection process for its external auditors, and selected PricewaterhouseCoopers Accountants N.V. (“PwC”) as the auditor for the Issuer’s consolidated financial statements for 2011 and onwards. The Issuer’s consolidated financial statements as at and for the year ended 31 December 2015 and 31 December 2016 incorporated by reference in this Base Prospectus, have been audited by PwC, independent auditors with their address at Thomas R. Malthusstraat 5, 1066 JR, Amsterdam, The Netherlands, as stated in its report thereon appearing in such financial statements. PwC has given, and has not withdrawn, its consent to the inclusion of its report in this Base Prospectus in the form and context in which it is included. The auditor signing the auditor’s report on behalf of PwC is a member of The Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*). The reports of the auditor are included by reference. PricewaterhouseCoopers Accountants N.V. has no material interest in the Issuer. Any

financial data in this Base Prospectus not extracted from the audited accounts of the Issuer is based on internal records of the Issuer or external sources believed by the Issuer to be reliable, and is unaudited.

- (13) At the date of this Base Prospectus the Issuer has only one class of preference shares. In order for there to be different classes of preference shares with different rankings on a winding-up, the articles of association of the Issuer would need to be amended.
- (14) Any website referred to in this Base Prospectus does not form part of this Base Prospectus except as specifically provided otherwise.
- (15) The total expenses related to the approval of the Programme are €4,940. An estimate of the total expenses related to the admission to trading of Instruments issued under the Programme shall be included in the Final Terms relating to the issue of such Instruments.
- (16) The Issuer has a counterparty credit rating from Standard & Poor's Ratings Services of BBB+ with a negative outlook. Standard & Poor's Ratings Services is established in the European Union and is registered under the CRA Regulation.

A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant.

- (17) Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Instruments issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Instruments issued under the Programme. Any such positions could adversely affect future trading prices of Instruments issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Registered Office of the Issuer

Achmea B.V.

Handelsweg 2

3707 NH Zeist

The Netherlands

Dealer

The Royal Bank of Scotland plc

(trading as NatWest Markets)

250 Bishopsgate

London EC2M 4AA

United Kingdom

Fiscal Agent and Principal Paying Agent, Registrar and Transfer Agent and Calculation Agent

ABN AMRO Bank N.V.

Gustav Mahlerlaan 10

1082 PP Amsterdam

The Netherlands

Trustee

Amsterdamsch Trustee's Kantoor B.V.

Prins Bernhardplein 200

1097 JB Amsterdam

The Netherlands

Arranger

The Royal Bank of Scotland plc

(trading as NatWest Markets)

250 Bishopsgate

London EC2M 4AA

United Kingdom

Irish Listing Agent

The Bank of New York Mellon SA/NV, Dublin Branch

Riverside II, Sir John Rogerson's Quay

Grand Canal Dock

Dublin 2

Ireland

Irish Paying Agent

The Bank of New York Mellon SA/NV, Dublin Branch

Hanover Building

Windmill Lane

Dublin 2

Ireland

Auditors to the Issuer

PricewaterhouseCoopers Accountants N.V.

Thomas R Malthusstraat 5

1066 JR Amsterdam

The Netherlands

Legal Advisers

To the Issuer

in respect of Dutch law

NautaDutilh N.V.

Beethovenstraat 400

1082 PR Amsterdam

The Netherlands

To the Dealers

as to Dutch law

Linklaters LLP

WTC Amsterdam

Zuidplein 180

1077 XV Amsterdam

The Netherlands