

Information Memorandum dated 26 August 2022



COVESTRO AG

(incorporated in Germany as a stock corporation)

Federal Republic of Germany, Leverkusen
as Issuer

Euro 1,500,000,000 Euro Commercial Paper Programme

Arranger

CITIGROUP

Dealers

BARCLAYS
CITIGROUP
COMMERZBANK
ING

Issuing and Paying Agent

CITIBANK EUROPE PLC

Rating of the Programme

This Programme has been assigned a rating by Moody's Deutschland GmbH.

IMPORTANT NOTICE

This Information Memorandum (together with any supplementary information memorandum and information incorporated herein by reference, the “Information Memorandum”) contains summary information provided by Covestro AG (the “Issuer”) in connection with a euro commercial paper programme (the “Programme”) under which the Issuer may issue and have outstanding at any time euro commercial paper notes (the “Notes”) up to a maximum aggregate amount of € 1,500,000,000 or its equivalent in alternative currencies. Under the Programme, the Issuer may issue Notes outside the United States pursuant to Regulation S (“Regulation S”) of the United States Securities Act of 1933, as amended (the “Securities Act”). The Issuer has, pursuant to a dealer agreement dated 26 August 2022 (the “Dealer Agreement”), appointed Citigroup Global Markets Limited as arranger for the Programme (the “Arranger”), appointed Barclays Bank Ireland PLC, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Commerzbank Aktiengesellschaft and ING Bank N.V. as dealers for the Notes (the “Dealers”) and authorised and requested the Dealers to circulate the Information Memorandum in connection with the Programme on their behalf to purchasers or potential purchasers of the Notes.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 AS AMENDED (THE “SECURITIES ACT”) OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)) (“U.S. PERSONS”) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Information Memorandum or confirmed the accuracy or determined the adequacy of the information contained in this Information Memorandum. Any representation to the contrary is unlawful.

The Issuer has confirmed to the Arranger and the Dealers that the information contained or incorporated by reference in the Information Memorandum is true and accurate in all material respects and not misleading in any material respect and that there are no other facts the omission of which makes the Information Memorandum as a whole or any such information contained or incorporated by reference therein misleading in any material respect.

None of the Issuer, the Arranger or the Dealers accept any responsibility, express or implied, for updating the Information Memorandum and neither the delivery of the Information Memorandum nor any offer or sale made on the basis of the information in the Information Memorandum shall under any circumstances create any implication that the Information Memorandum is accurate at any time subsequent to the date thereof with respect to the Issuer or that there has been no change in the business, financial condition or affairs of the Issuer since the date thereof.

No person is authorised by the Issuer to give any information or to make any representation not contained in the Information Memorandum and any information or representation not contained therein must not be relied upon as having been authorised.

Neither the Arranger nor any Dealer has independently verified the information contained in the Information Memorandum. Accordingly, no representation or warranty or undertaking (express or implied) is made, and no responsibility or liability is accepted by the Arranger or the Dealers as to the authenticity, origin, validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained in the Information Memorandum or in or from any accompanying or subsequent material or presentation.

The information contained in the Information Memorandum is not and should not be construed as a recommendation by the Arranger, the Dealers or the Issuer that any recipient of the Information Memorandum should purchase Notes. Each such recipient must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Programme as it may deem necessary and must base any investment decision upon such independent assessment and investigation and not on the Information Memorandum.

Neither the Arranger nor any Dealer undertakes to review the business or financial condition or affairs of the Issuer during the life of the Programme, nor undertakes to advise any recipient of the Information Memorandum of any information or change in such information coming to the Arranger's or any Dealer's attention.

Neither the Arranger nor any of the Dealers accepts any liability in relation to this Information Memorandum or its distribution by any other person. **This Information Memorandum does not, and is not intended to, constitute an offer or invitation to any person to purchase Notes.** The distribution of this Information Memorandum and the offering for sale of Notes or any interest in such Notes or any rights in respect of such Notes, in certain jurisdictions, may be restricted by law. Persons obtaining this Information Memorandum or any Notes or any interest in such Notes or any rights in respect of such Notes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. In particular, but without limitation, such persons are required to comply with the restrictions on offers or sales of Notes and on distribution of this Information Memorandum and other information in relation to the Notes, the Issuer set out under "Selling Restrictions" below.

No application will be made at any time to list the Notes on any stock exchange. A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received in connection with the issue or sale of any Notes will only be made in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

Tax

No comment is made, and no advice is given by the Issuer, the Arranger or any Dealer in respect of taxation matters relating to the Notes and each investor is advised to consult its own professional adviser.

Interpretation

In the Information Memorandum, references to “Euro”, “EUR” and “€” are to the lawful currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time; references to “U.S. Dollars”, “USD” and “U.S.\$” are to United States dollars; references to “GBP”, “Sterling” and “£” are to pounds sterling and references to “JPY” and “¥” are to Japanese Yen.

Where the Information Memorandum refers to the provisions of any other document, such reference should not be relied upon and the document must be referred to for its full effect.

This Information Memorandum is made in the English language. The Forms of Global Note and the Terms and Conditions are made in the English and German language, with the German language version being legally binding. Where a German translation of a word or phrase appears in the text of this Information Memorandum, the German translation of such word or phrase shall prevail.

A reference in the Information Memorandum to an agreement or document entered into in connection with the Programme shall be to such agreement or document as amended, novated, restated, superseded or supplemented from time to time.

Documents Incorporated By Reference

The most recently published Audited Consolidated Financial Statements of Covestro AG and any subsequently published Consolidated Half-Year Financial Reports of Covestro AG (including, where applicable, the notes and auditors’ report in respect thereof) and the Quarterly Information First Quarter as of March 31 of a financial year of Covestro AG and the Quarterly Information Third Quarter as of September 31 of a financial year of Covestro AG shall be deemed to be incorporated in, and to form part of, this Information Memorandum. For the avoidance of doubt, consolidated financial information does not include financial or non-financial information pertaining to the annual management report or other mandatory or voluntarily disclosed parts of the annual or interim management reporting of the Issuer whatsoever.

Any information contained in a document incorporated by reference into this Information Memorandum or contained in any supplementary information memorandum or in any document incorporated by reference therein shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede earlier information contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum. Any information so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Except as provided above, no other information, including information on the website of the Issuer, does form part of or is incorporated by reference into this Information Memorandum.

Each Dealer will provide to each person to whom a copy of this Information Memorandum has been delivered, upon request of such person, a copy of any or all the documents incorporated

herein by reference as retrieved from the Issuer's webpage unless such documents have been modified or superseded as specified above. Written requests for such documents should be directed to the relevant Dealer at its office as set out at the end of this Information Memorandum.

Certain of the Dealers have, directly or indirectly through affiliates, provided investment and commercial banking, financial advisory and other services to the Issuer and its affiliates from time to time, for which they have received monetary compensation. Certain of the Dealers may from time to time also enter into swap and other derivative transactions with each of the Issuer and its affiliates, including in relation to the hedging of the Notes. In addition, certain of the Dealers and their affiliates may in the future engage in investment banking, commercial banking, financial or other advisory transactions with the Issuer or its affiliates.

MiFID II Product Governance // Professional investors and Eligible Counterparties only target market – Solely for the purposes of the product approval process in respect of a particular Note issue, the target market assessment in respect of any of the Notes to be issued off this Programme has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in the Markets in Financial Instruments Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration such target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining such target market assessment) and determining appropriate distribution channels.

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

Solely by virtue of appointment as Arranger or Dealer, as applicable, on this Programme, neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of EU Delegated Directive 2017/593 or the UK MiFIR Product Governance Rules.

Singapore SFA Product Classification // In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), unless otherwise specified before an offer of Notes, the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

CONTENTS

SUMMARY OF THE PROGRAMME	2
DESCRIPTION OF THE ISSUER	5
FORM OF GLOBAL NOTE	6
TERMS AND CONDITIONS.....	11
SELLING RESTRICTIONS	20
PROGRAMME PARTICIPANTS	23

SUMMARY OF THE PROGRAMME

Name of the Programme	Covestro AG €1,500,000,000 Euro Commercial Paper Programme
Name of the Issuer	Covestro AG (the " <u>Issuer</u> ")
Issuer Legal Entity Identifier (" <u>LEI</u> ")	3912005AWHKLQ1CPLV11
Arranger	Citigroup Global Markets Limited
Dealers	Barclays Bank Ireland PLC Citigroup Global Markets Europe AG Citigroup Global Markets Limited Commerzbank Aktiengesellschaft ING Bank N.V.
Issuing and Paying Agent	Citibank Europe Plc
Maximum Amount of the Programme	The outstanding principal amount of the Notes will not exceed €1,500,000,000 (or its equivalent in other currencies) at any time. The maximum amount of the Programme may be increased from time to time in accordance with the Dealer Agreement.
Purpose of the Programme	Under this Programme, the Issuer may, from time to time, issue commercial paper. The issue proceeds will be used for general financing purposes of the Issuer.
Rating of the Programme	Notes to be issued under the Programme have been assigned a rating by/the Programme has been rated by Moody's Deutschland GmbH (" <u>Moody's</u> ") ¹ . 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 relevant rating agency.
Characteristics and Form of the Notes	Notes will be issued in bearer form only and will be represented by one or more global notes (each, a " <u>Global Note</u> "), which will be issued in Classical Global Note (" <u>CGN</u> ") form or in New Global Note (" <u>NGN</u> ") form. The right of holders to request printing and delivery of definitive Notes is excluded.

¹ Moody's is established in the European Community and registered since 31 October 2011 under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended, (the "CRA Regulation"). Moody's is included in the "List of registered and certified CRA's" published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu>) in accordance with the CRA Regulation.

Delivery and Clearing of Notes	Global Notes will be deposited with Clearstream Banking AG („ <u>Clearstream, Frankfurt</u> “) or deposited with a common depository for Clearstream Banking S.A. („ <u>Clearstream, Luxembourg</u> “) and/or Euroclear Bank SA/NV, as operator of the Euroclear System („ <u>Euroclear</u> “), as specified in the Global Note (Clearstream, Frankfurt / Clearstream, Luxemburg / Euroclear, hereinafter referred to as the „ <u>Clearing System</u> “). If the relevant Global Note is issued as an NGN, the Global Note will be delivered to a common safekeeper (the “Common Safekeeper”) for Clearstream, Luxemburg/Euroclear on or before the issue date of the Notes.
Currencies of issue of the Notes	The Notes may be issued in Euro, USD, Sterling, Yen or any other currency as may be agreed between the Issuer and the relevant Dealer(s), subject in each case to compliance with the applicable legal and regulatory requirements.
Maturity of the Notes	Subject to any applicable legal or regulatory restrictions or requirements, Notes will have a maturity of at least one day but no more than 364 days (from and including the issue date to but excluding the maturity date) according to the conditions fixed at the time of issue of the respective Notes.
Minimum Issuance Amount	EUR 1,000,000 or the equivalent thereof for issuances denominated in a currency other than Euro.
Denomination of the Notes	Notes may have any denomination, subject to compliance with any applicable legal and regulatory requirements. Notes denominated in Euro will be issued with a denomination of EUR 500,000 or, where expressly agreed between the Issuer, the relevant Dealer and the Issuing and Paying Agent, in a higher denomination; Notes not denominated in Euro will have the following initial minimum denominations: GBP 100,000; USD 500,000; JPY 100,000,000 or such other conventionally accepted denominations in those currencies or such other agreed currency amount in the relevant currency not being less than EUR 500,000. The minimum denominations of Notes will be in accordance with any applicable legal and regulatory requirements. Minimum denominations may be changed from time to time.
Listing	No application will be made for the Notes to be admitted to trading on a regulated market or alternative market and to be listed on the official list on any national and/or international stock exchange.
Remuneration	The Notes may be issued at a discount or may bear fixed rate interest.
Redemption	Notes will be redeemed at par as specified thereon.
Status of the Notes	The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking pari passu among themselves and pari passu with all other unsecured and unsubordinated obligations of the Issuer, save for any obligations required to be preferred by law.
Selling Restrictions	Offers and sales of Notes and the distribution of this Information Memorandum and other information relating to the Issuer and the Notes are subject to certain restrictions, details of which are set out under “Selling

Restrictions" below.

Taxation	All payments in respect of the Notes shall be made without withholding or deduction for or on account of any taxes imposed by the Federal Republic of Germany, unless such withholding or deduction is required by law. If such withholding or deduction is required by law, the Issuer shall, subject to certain exceptions, be required to pay such additional amounts as shall result in receipt by the holder of such amounts as would have been received by it had no such withholding or deduction been required.
Events of Default	The Terms and Conditions of the Notes contain Events of Default, but in the case of a failure of the Issuer to pay principal or interest on the Notes when due, a grace period of two banking business days is accorded if such non-payment was caused by technical failure.
Governing Law	The Notes and all rights and obligations arising out of or in connection with them shall be governed by German law.

DESCRIPTION OF THE ISSUER

Legal name	Covestro AG
Legal form	Covestro AG is a German stock corporation (<i>Aktiengesellschaft</i>).
Date of incorporation	Covestro AG was established on 20 August 2015 and was registered with the Commercial Register of the local court of Cologne (<i>Amtsgericht Köln</i>) under registration number HRB 85281 on 24 August 2015.
Registered office (legal address)	Kaiser-Wilhelm-Allee 60, 51373 Leverkusen, Federal Republic of Germany. Telephone: +49 214 6009-0
Group	“ <u>Group</u> ” means the Issuer and its consolidated subsidiaries. Covestro AG is the holding company of the Group, which operates under the commercial name “Covestro”.
Issuer’s purpose	Pursuant to section 2 of the articles of association of Covestro AG dated 21 April 2022, the corporate purpose of Covestro AG is manufacturing, marketing and other industrial activities and the provision of services in the area of polymers and chemicals. Covestro AG is authorised to undertake all business which is related to, or directly or indirectly serves, the purpose of the company. Covestro AG may establish, acquire and take participating interests in other companies, in particular those whose purpose fully or partially cover the aforementioned area. Covestro AG may bring companies, in which it holds participating interests, under its uniform control or confine itself to the administration thereof. Covestro AG may transfer their operations in full or in part to newly established or existing subsidiaries.
Business overview	<p>Based on its internal analyses and assessments, the Group considers itself as one of the world's leading suppliers of high-tech polymer materials and application solutions developed for these materials. The Group produces precursors for polyurethane foams and the high-performance plastic polycarbonate as well as precursors for coatings, adhesives, sealants, and specialty products, including films. Other precursors such as chlorine and by-products like styrene are also part of Covestro's product portfolio.</p> <p>Covestro's main customers are from the automotive and transportation, construction, furniture and wood processing, and electrical, electronics, and household appliances industries. The products are also used in sectors such as sports and leisure, cosmetics and health, as well as in the chemical industry itself.</p>

FORM OF GLOBAL NOTE

Muster der Globalurkunde

ISIN-Nr.: [Nummer]

Common Code: [Nummer]

Wertpapier-Kenn-Nr.: [Nummer]

Inhaber-Globalurkunde

über die nachstehend beschriebenen Inhaber-Schuldverschreibungen
(die „Schuldverschreibungen“)

Serie Nr.: [Nummer]

Emittentin: Covestro AG, Leverkusen, Bundesrepublik Deutschland

Gesamtnennbetrag der Serie: [Emissionswährung und Betrag]

Anzahl an Schuldverschreibungen: [Anzahl]

Nennbetrag jeder Schuldverschreibung: [Währung und Betrag]

Begebungstag: [Datum]

Fälligkeitstag: [Datum]

New Global Note [Ja][Nein]

Die Verwahrung ist in einer Weise beabsichtigt, welche die EZB-Fähigkeit bewirkt: [Ja]² [Nein]³

Clearing System: [Clearstream Banking AG] [Clearstream Banking S.A. und Euroclear Bank SA/NV als Betreiber des Euroclear Systems]

Maßgeblicher Finanzplatz: [Ort]

Zinstagequotient: [Actual/Actual (ICMA-Regelung 251)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 oder 360/360 (Bond Basis)] [30E/360 (Eurobond Basis)]

² [Erläuterung einfügen im Fall einer durch einen der ICSDs verwahrten NGN: Ein "Ja" bedeutet, das beabsichtigt ist, die Schuldverschreibungen zum Zeitpunkt ihrer Emission bei einer der internationalen zentralen Verwahrstellen (ICSDs) als gemeinsame Sicherheitsverwahrstelle (*common safekeeper*) einzureichen. Das bedeutet nicht notwendigerweise, dass die Schuldverschreibungen zum Zeitpunkt ihrer Emission oder zu einem anderen Zeitpunkt während ihrer Laufzeit als geeignete Sicherheit im Sinne der Geldpolitik des Eurosystems und für Zwecke der untertägigen Kreditfähigkeit durch das Eurosystem anerkannt werden. Eine solche Anerkennung hängt von der Erfüllung der Kriterien der Eignung des Eurosystems ab (EZB-Fähigkeit).]

³ Sofern ein "Nein" am Tag dieser Inhaber-Globalurkunde festgelegt wurde, können sich die Eurosystemfähigkeitskriterien für die Zukunft derart ändern, dass die Schuldverschreibungen fähig sein werden diese einzuhalten. Die Schuldverschreibungen können dann bei einem der ICSDs als gemeinsamer Verwahrer hinterlegt werden. Es ist zu beachten, dass die Schuldverschreibungen selbst dann nicht notwendigerweise als geeignete Sicherheit im Sinne der Währungspolitik des Eurosystems und der taggleichen Überziehungen (*intra-day credit operations*) des Eurosystems entweder nach Begebung oder zu einem Zeitpunkt während ihrer Existenz, anerkannt werden. Eine solche Anerkennung wird von der Entscheidung der Europäischen Zentralbank abhängen, dass die Eurosystemfähigkeitskriterien erfüllt werden.

Im Falle von diskontierten Schuldverschreibungen muss folgender Abschnitt ergänzt werden:

Art der diskontierte Schuldverschreibungen
Schuldverschreibungen:

Diskontierungssatz: *[Prozentsatz per annum].*

Im Falle von festverzinslichen Schuldverschreibungen muss folgender Abschnitt ergänzt werden:

Art der festverzinsliche Schuldverschreibungen
Schuldverschreibungen:

Zinssatz: *[Prozentsatz per annum]*

Zinszahlungstag(e): *[Tage und Monate][nicht anwendbar]*

DIE EMITTENTIN VERPFLICHTET SICH

- (1) zur Einlösung der Schuldverschreibungen und zur Zahlung der Zinsen im Zusammenhang mit den Schuldverschreibungen gemäß den beigefügten Emissionsbedingungen (die „Emissionsbedingungen“) und
- (2) zur Durchführung und Einhaltung ihrer anderen Verpflichtungen unter den Emissionsbedingungen.

Der Anspruch auf Druck und Lieferung von Einzelurkunden ist ausgeschlossen.

[Bei New Global Note einfügen:

Der Gesamtnennbetrag der in dieser Globalschuldverschreibung verbrieften Schuldverschreibungen ist der gesamte Nennbetrag, der von Zeit zu Zeit in den Aufzeichnungen von Euroclear Bank SA/NV und Clearstream Banking S.A. (jedes ein „Clearing System“ und gemeinsam die „Clearing Systeme“) verbucht wird, die (i) bei der Begebung der hierdurch verbrieften Schuldverschreibungen und (ii) bei jeder Rückzahlung oder Einziehung hierdurch verbrieftter Schuldverschreibungen vervollständigt und/oder angepasst werden.

Die Aufzeichnungen der Clearing Systeme (wobei dieser Ausdruck, soweit er in dieser Globalschuldverschreibung verwendet wird, die Aufzeichnungen bezeichnet, die jedes Clearing System für seine Kunden führt und aus denen sich die Höhe der jeweiligen Anteile dieser Kunden an den Schuldverschreibungen ergibt) sind der abschließende Nachweis in Bezug auf den Gesamtnennbetrag der durch diese Globalschuldverschreibung verbrieften Schuldverschreibungen, und eine von einem Clearing System abgegebene Erklärung bezüglich des Gesamtnennbetrags der durch diese Globalschuldverschreibung verbrieften Schuldverschreibungen (welche dem Inhaber auf Nachfrage zugänglich gemacht wird) zu einem beliebigen Zeitpunkt erbringt den abschließenden Nachweis über die Aufzeichnungen des Clearing Systems zu diesem Zeitpunkt.

Bei jeder Rückzahlung oder Einziehung hierdurch verbrieftter Schuldverschreibungen wird die Emittentin sicherstellen, dass die jeweiligen Einzelheiten dieser Rückzahlung oder Einziehung anteilig in den Aufzeichnungen der Clearing Systeme verbucht werden und nach einer jeden solchen Buchung reduziert sich der in den Aufzeichnungen der Clearing Systeme festgehaltene und durch diese Globalschuldverschreibung verbrieftte Nennbetrag der Schuldverschreibungen um den Gesamtnennbetrag der so zurückgezählten oder eingezogenen Schuldverschreibungen.

Fällige Zahlungen im Hinblick auf die durch diese Globalschuldverschreibung verbrieften Schuldverschreibungen erfolgen an den Inhaber dieser Globalschuldverschreibung, und eine jede solche Zahlung befreit die Emittentin von ihren diesbezüglichen Zahlungsverpflichtungen. Versäumnisse in Bezug auf die Vornahme der oben genannten Buchungen berühren diese Befreiung von der Zahlungspflicht nicht.]

Die Globalschuldverschreibung ist nur wirksam, wenn sie die eigenhändigen oder faksimilierten Unterschriften von zwei durch die Emittentin für diesen Zweck bevollmächtigten Personen sowie die eigenhändige oder faksimilierte *[Bei Classical Global Note einfügen: Unterschrift eines Kontrollbeauftragten der Emissionsstelle]* *[Bei New Global Note einfügen: Unterschrift eines Kontrollbeauftragten der Emissionsstelle sowie die Unterschrift des gemeinsamen Verwahrers]* trägt.

Leverkusen, [] 20[]

COVESTRO AG

Kontrollunterschrift

[NGN: Effektuierung]

Nicht verbindliche Übersetzung/Non binding translation

ISIN: *[number]*

Common Code: *[number]*

WKN: *[number]*

Global Bearer Note

representing the bearer notes described below
(the „Notes“)

Series number: *[number]*

Issuer: Covestro AG, Leverkusen, Federal Republic of Germany

Aggregate nominal amount of the series: *[issue currency and amount]*

Number of Notes: *[number]*

Nominal amount of each Note: *[currency and amount]*

Issue Date: *[date]*

Maturity Date: *[date]*

New Global Note *[yes][no]*

Intended to be held in a manner which would allow Eurosystem eligibility: : *[yes]¹[no]²*

Clearing System: [Clearstream Banking AG][Clearstream Banking S.A. and Euroclear Bank SA/NV as operator of the Euroclear System]

Principal financial centre: *[place]*

Day Count Fraction: [Actual/Actual (ICMA-Rule 251)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 or 360/360 (Bond Basis)] [30E/360 (Eurobond Basis)]

If the Notes are Discounted Notes, the following section should be completed:

Type of Notes Discounted Notes

Discount rate: *[annual percentage rate]*

If the Notes are Fixed Rate Notes, the following section should be completed:

Type of Notes: Fixed Rate Notes

Interest rate: *[annual percentage rate]*

Interest Payment Dates *[days and months][not applicable]*

¹ **[Include explanation in case of an NGN deposited with one of the ICSDs:]** 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 European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

² Whilst the designation is specified as “no” at the date of this Global Bearer Note, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them 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 European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

THE ISSUER UNDERTAKES

- (1) to redeem the Notes and to pay any interest in respect of the Notes according to the terms and conditions attached to and forming part of this Global Note (the “Terms and Conditions”) and
- (2) to perform and comply with its other obligations under the Terms and Conditions.

There is no right to request the printing and delivery of definitive Notes.

[If New Global Note insert:

The aggregate principal amount of Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of each of Euroclear Bank SA/NV and Clearstream Banking, S.A. (each a “Clearing System” and together, the “Clearing Systems”), which shall be completed and/or amended, as the case may be, upon (i) the issue of Notes represented hereby and (ii) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

The records of the Clearing Systems (which expression in this Global Note means the records that each Clearing System holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of the Notes represented by this Global Note and, for these purposes, a statement issued by a Clearing System (which statement shall be made available to the bearer upon request) stating the aggregate principal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of such Clearing System at that time.

If any redemption is made in respect of, or cancellation of, any of the Notes represented by this Global Note, the Issuer shall procure that details of such redemption or cancellation (as the case may be) shall be entered pro rata in the records of the Clearing Systems and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the Clearing Systems and represented by this Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or cancelled.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.]

This Global Note shall only be valid if it bears the handwritten or facsimile signatures of two authorised officers of the Issuer and the handwritten or facsimile *[If Classical Global Note insert: control signature of a person instructed by the Issuing Agent] [If New Global Note insert: control signature of a person instructed by the Issuing Agent and signature of the common safekeeper].*

Leverkusen, [] 20[]

COVESTRO AG

control signature

[NGN effectuation]

TERMS AND CONDITIONS

Ausschließlich der deutsche Text dieser Emissionsbedingungen ist rechtlich maßgebend. Die englische Fassung ist nicht verbindlich und dient nur der Vereinfachung.

Die Schuldverschreibungen können als diskontierte oder festverzinsliche Schuldverschreibungen begeben werden. Diese Emissionsbedingungen sollen zusammen mit der Globalurkunde gelesen werden, die die Emissionsbedingungen ergänzt und/oder vervollständigt.

Only the German text of the Terms and Conditions of the Notes is legally binding. The English translation is non-binding and for convenience only.

The Notes may either be issued as discounted or fixed rate Notes. These Terms and Conditions of the Notes should be read together with the Global Note which supplements and/or completes these Terms and Conditions.

Emissionsbedingungen

§ 1

Form und Nennbetrag

(1) Die Covestro AG, Leverkusen, Bundesrepublik Deutschland („Emittentin“), begibt diese Serie auf den Inhaber lautender Schuldverschreibungen („Schuldverschreibungen“). Die Währung und der Gesamtnennbetrag der Schuldverschreibungen, die Anzahl sowie der Nennbetrag der einzelnen Schuldverschreibungen („Nennbetrag“) sind in der Globalurkunde (wie nachfolgend definiert) angegeben.

(2) Die Schuldverschreibungen sind in einer Inhaber-Globalurkunde („Globalurkunde“) verbrieft, die bei Clearstream Banking AG („Clearstream, Frankfurt“) oder bei einer gemeinsamen Verwahrstelle für Clearstream Banking S.A. („Clearstream, Luxemburg“), und Euroclear Bank SA/NV, als Betreiberin des Euroclear-Systems („Euroclear“) oder einem gemeinsamen Verwahrer (der „Gemeinsame Verwahrer“) im Namen von Clearstream, Luxemburg und Euroclear, wie in der Globalurkunde angegeben (Clearstream, Frankfurt/Clearstream, Luxemburg/Euroclear jeweils nachstehend als „Clearing System“ bezeichnet), hinterlegt ist. Schuldverschreibungen in effektiven Urkunden werden nicht ausgegeben.

(3) Die Globalurkunde trägt die eigenhändigen oder faksimilierten Unterschriften von zwei ordnungsgemäß bevollmächtigten Vertretern der Emittentin sowie die eigenhändige oder faksimilierte Kontrollunterschrift eines Kontrollbeauftragten der Emissionsstelle oder, wenn es sich bei der Globalurkunde um eine New Global Note („NGN“) handelt, wird die Globalurkunde manuell vom oder im Namen des Gemeinsamen Verwahrers unterzeichnet. Die Rechte der Inhaber der Schuldverschreibungen

Terms and Conditions of the Notes

§ 1

Form and Nominal Amount

(1) Covestro AG, Leverkusen, Federal Republic of Germany (the „Issuer“), issues this series of bearer notes (the „Notes“). The currency and the aggregate nominal amount of the Notes, the number and the nominal amount of each Note (the „Nominal Amount“) are specified in the Global Note.

(2) The Notes are represented by a global security in bearer form (the „Global Note“) deposited with Clearstream Banking AG („Clearstream, Frankfurt“) or deposited with a common depository for Clearstream Banking S.A. („Clearstream, Luxemburg“) and Euroclear Bank SA/NV, as operator of the Euroclear System („Euroclear“) or a common safekeeper (the „Common Safekeeper“) in the name of both Clearstream, Luxemburg and Euroclear, as specified in the Global Note (Clearstream, Frankfurt/Clearstream, Luxemburg/Euroclear, hereinafter referred to as the „Clearing System“). Definitive Notes will not be issued.

(3) The Global Note bears the manual or facsimile signatures of two duly authorised representatives of the Issuer as well as the manual or facsimile authentication signature of an authentication agent of the Issuing Agent or, if the Global Note is a New Global Note („NGN“), the Global Note shall be effectuated manually by or on behalf of the Common Safekeeper. The interests of the holders in the Notes (the „Noteholders“) under the Global Note are transferable according to the rules and operating

(„Anleihegläubiger“) an der Globalurkunde können entsprechend den Regeln und Bestimmungen von Clearstream, Frankfurt/Clearstream, Luxemburg/Euroclear im Einklang mit anwendbarem Recht übertragen werden.

§ 2 Status

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit zwingende gesetzliche Bestimmungen nichts anderes vorschreiben.

§ 3 Zinsen

Schuldverschreibungen können entweder als diskontierte oder festverzinsliche Schuldverschreibungen begeben werden, wie in der Globalurkunde oder ihrem etwaigen Annex angegeben.

1. Die nachfolgenden Absätze der Emissionsbedingungen finden Anwendung, wenn in der Globalurkunde angegeben ist, dass die Schuldverschreibungen diskontiert begeben und zum Nennbetrag zurückgezahlt werden („diskontierte Schuldverschreibungen“).

(1) Jede Schuldverschreibung wird mit einem Abschlag von ihrem Nennbetrag begeben. Der Diskontierungssatz („Diskontierungssatz“) ist der in der Globalurkunde angegebene Jahressatz *per annum*. Es erfolgen keine periodischen Zinszahlungen auf die Schuldverschreibungen.

(2) Rechnerisch aufgelaufene Zinsen werden gemäß dem in der Globalurkunde genannten Zinstagequotienten berechnet.

(3) Sollte die Emittentin die Schuldverschreibungen bei Endfälligkeit nicht einlösen, fallen (vorbehaltlich der Regelung in § 4 Absatz (3) dieser Emissionsbedingungen) auf den ausstehenden Gesamtnennbetrag der Schuldverschreibungen ab dem Fälligkeitstag gemäß § 4 Absatz (1) dieser Emissionsbedingungen Zinsen in Höhe des gesetzlich festgelegten Verzugszinssatzes¹ auf den nicht zurückgezahlten Betrag an, und zwar

procedures of Clearstream, Frankfurt/Clearstream, Luxemburg/Euroclear and in accordance with applicable laws.

§ 2 Status

The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, save for any obligations required to be preferred by law.

§ 3 Interest

Notes may either be issued as discounted or fixed rate Notes as set out in the Global Note or any annex thereto.

1. The following paragraphs of the Terms and Conditions apply if the Global Note specifies that the Notes will be issued at a discount and are redeemed at par (“Discounted Notes”).

(1) Each Note is issued at a discount to its Nominal Amount. The discount rate (the “Discount Rate“) is the annual rate specified in the Global Note. There will be no periodic payments of interest on the Notes.

(2) Notional accrued interest will be calculated in accordance with the Day Count Fraction as specified in the Global Note.

(3) If the Issuer fails to redeem the Notes when due, interest will accrue (subject to the stipulation in § 4 sub-paragraph (3) of these Terms and Conditions) on the outstanding aggregate nominal amount of the Notes from the Maturity Date pursuant to § 4 sub-paragraph (1) of these Terms and Conditions on the unpaid amount at the default rate of interest established by law² up to but excluding the date on which it is actually paid to the Clearing System for credit to

¹ Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Bürgerliches Gesetzbuch.

² The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 (1), 247 German Civil Code (*Bürgerliches Gesetzbuch*).

bis zu dem Tag (ausschließlich), an dem der Betrag tatsächlich an das Clearing System zur Gutschrift auf die Konten der (jeweiligen Depotbanken der) Anleihegläubiger gezahlt wird.

2. Die nachfolgenden Absätze der Emissionsbedingungen finden Anwendung, wenn in der Globalurkunde angegeben ist, dass die Schuldverschreibungen festverzinslich sind und zum Nennbetrag zurückgezahlt werden („festverzinsliche Schuldverschreibungen“).

(1) Die Schuldverschreibungen werden ab dem in der Globalurkunde angegebenen Begebungstag (einschließlich) („Begebungstag“) bis zu dem in der Globalurkunde angegebenen Fälligkeitstag (ausschließlich) („Fälligkeitstag“) zu dem jährlichen Zinssatz, bezogen auf den Gesamtnennbetrag, verzinst, der in der Globalurkunde angegeben ist. Zinsen sind nachträglich an jedem in der Globalurkunde angegebenen Datum (der „Zinszahlungstag“) und/oder am Fälligkeitstag zahlbar, vorbehaltlich der Regelung in § 4 Absatz (3) dieser Emissionsbedingungen.

(2) Zinsen werden gemäß dem Zinstagequotient Actual/Actual (ICMA Regelung 251) oder, falls so in der Globalurkunde angegeben, gemäß Actual/365 (Fixed) oder gemäß Actual/365 (Sterling) oder gemäß Actual/360 oder gemäß der Bond Basis Methode oder der Eurobond Basis Methode in Übereinstimmung mit der Marktpraxis der entsprechenden Währung berechnet.

(3) Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Endfälligkeit nicht oder nicht vollständig einlöst, erfolgt die Verzinsung des ausstehenden Gesamtnennbetrages der Schuldverschreibungen (vorbehaltlich der Regelung in § 4 Absatz (3) dieser Emissionsbedingungen) ab dem Fälligkeitstag bis zu dem Tag (ausschließlich), an dem der Betrag tatsächlich an das Clearing System zur Gutschrift auf die Konten der (jeweiligen Depotbanken der) Anleihegläubiger gezahlt wird, in Höhe des gesetzlich festgelegten Verzugszinssatzes³.

§ 4

³ Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Bürgerliches Gesetzbuch.

⁴ The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 (1), 247 German Civil Code (*Bürgerliches Gesetzbuch*).

the accounts of (the respective depositary banks of) the Noteholders.

2. The following paragraphs of the Terms and Conditions apply if the Global Note specifies that the Notes bear interest at a fixed rate and are redeemed at par (“Fixed Rate Notes”).

(1) The Notes will bear interest from and including the issue date specified in the Global Note (the “Issue Date”) up to but excluding the maturity date specified in the Global Note (the “Maturity Date”) at the annual rate, applied to the aggregate nominal amount, specified in the Global Note. Interest will be payable in arrears on each date as specified in the Global Note (the “Interest Payment Date”) and/or on the Maturity Date, subject to the stipulation in § 4 sub-paragraph (3) of these Terms and Conditions.

(2) Interest will be calculated in accordance with the Day Count Fraction Actual/Actual (ICMA Rule 251) or, if so specified in the Global Note, in accordance with Actual/365 (Fixed) or in accordance with Actual/365 (Sterling) or in accordance with Actual/360 or in accordance with the Bond Basis method or in accordance with the Eurobond Basis method in accordance with the market practice for the relevant currency.

(3) The Notes shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer fails to redeem the Notes in full or in part at maturity, interest will accrue on the outstanding aggregate nominal amount of the Notes (subject to the stipulation in § 4 sub-paragraph (3) of these Terms and Conditions) from the Maturity Date to but excluding the date on which it is actually paid to the Clearing System for credit to the accounts of (the respective depositary banks of) the Noteholders at the default rate of interest established by law⁴.

§ 4

Zahlungen

(1) Die Emittentin verpflichtet sich unwiderruflich, alle Zahlungen auf die Schuldverschreibungen (vorbehaltlich Absatz (3)) am Fälligkeitstag der Zahlstelle in der frei konvertierbaren Währung, auf die die Schuldverschreibungen lauten, zu zahlen.

Zahlungen auf die Schuldverschreibungen erfolgen über die Zahlstelle durch Überweisung an das Clearing System zur Gutschrift auf die Konten der (jeweiligen Depotbanken der) Anleihegläubiger.

Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder gemäß dessen Order von ihrer Zahlungspflicht befreit.

(2) Die Zahlungen unterliegen den anwendbaren Steuergesetzen und sämtlichen anderen einschlägigen Gesetzen und Vorschriften. § 6 der Emissionsbedingungen bleibt unberührt.

(3) Sofern der Tag der Fälligkeit für die Zahlung eines Betrages kein Bankarbeitstag ist, haben die Anleihegläubiger erst an dem auf den Tag der Fälligkeit unmittelbar folgenden Bankarbeitstag einen Anspruch auf Auszahlung. Der Anspruch auf Zahlung zusätzlicher Zins- oder anderer Beträge aufgrund einer solchen späteren Zahlung ist ausgeschlossen.

„Bankarbeitstag“ bezeichnet einen Tag (ausgenommen ein Samstag oder Sonntag), (i) an dem das Clearing System Zahlungen abwickelt und (ii) (a) sofern die Schuldverschreibungen nicht auf Euro lauten, an dem Geschäftsbanken und der internationale Devisenhandel am maßgeblichen Finanzplatz des Landes der in der Globalurkunde angegebenen Währung für Bankgeschäfte geöffnet sind, oder (b) wenn die Schuldverschreibungen auf Euro lauten, der ein TARGET-Geschäftstag ist.

„TARGET-Geschäftstag“ bezeichnet jeden Tag an dem das Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET 2) oder jedes Nachfolgesystem für die Abwicklung von Zahlungen in Euro geöffnet ist.

§ 5 Rückzahlung

Soweit nicht zuvor bereits zurückgezahlt oder angekauft und entwertet, wird die Emittentin die Schuldverschreibungen zu ihrem Nennbetrag an dem in der Globalurkunde angegebenen

Payments

(1) The Issuer irrevocably undertakes to pay to the Paying Agent all amounts to be paid on the Notes (subject to sub-paragraph (3)) on the Maturity Date in the freely convertible currency in which the Notes are denominated.

Payments in respect of the Notes will be passed on by the Paying Agent to the Clearing System for credit to the accounts of (the respective depositary banks of) the Noteholders.

The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(2) Payments will be subject to any applicable fiscal or other laws and regulations. § 6 of these Terms and Conditions remains unaffected.

(3) If the due date for payment of any amount is not a Banking Business Day, the Noteholders will not be entitled to payment until the first following Banking Business Day and will not be entitled to any interest or other compensation in respect of the delay.

“Banking Business Day” means a day (other than a Saturday or Sunday) (i) on which the Clearing System settles payments, and, (ii) (a) if the Notes are denominated a currency other than Euro, on which commercial banks and international foreign exchange markets in the principal financial centre of the country of the currency specified in the Global Note settle payments; or (b) where the Notes are denominated in Euro, which is a TARGET Business Day.

“TARGET Business Day” means any day on which the Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET 2) or any successor system thereto is open for the settlement of payments in Euro.

§ 5 Redemption

Unless previously redeemed or repurchased and cancelled, the Issuer will redeem the Notes at par on the maturity date (the “Maturity Date”) as specified in the Global Note

Fälligkeitstag (der „Fälligkeitstag“) zurückzahlen.

§ 6 Steuern

(1) Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet („Steuern“), die von der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder zur Erhebung von Steuern berechtigten Behörden oder sonstigen Stellen auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, sofern nicht die Emittentin kraft Gesetzes oder einer sonstigen Rechtsvorschrift zu einem solchen Einbehalt oder Abzug verpflichtet ist. Sofern die Emittentin zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin zusätzliche Beträge (die „Zusätzlichen Beträge“) an die Anleihegläubiger zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne den betreffenden Einbehalt oder Abzug erhalten hätten. Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern in Bezug auf Schuldverschreibungen, die

- (a) von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen einer Verbindung des betreffenden Anleihegläubigers zu dem Staat, in dem die Emittentin steuerlich ansässig ist, die nicht nur aus der bloßen Inhaberschaft der Schuldverschreibungen besteht, einzubehalten oder abzuziehen sind; oder
- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig ist oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) aufgrund einer Rechtsänderung abzuziehen oder einzubehalten sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt,

§ 6 Taxation

(1) All amounts to be paid in respect of the Notes will be paid free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature („Taxes“) imposed, levied, collected, withheld or assessed by the Federal Republic of Germany or any political subdivision or any authority or any other agency of or in the Federal Republic of Germany that has power to tax, unless the Issuer is compelled by law to make such withholding or deduction. If the Issuer is required to make such withholding or deduction, the Issuer will pay such additional amounts (the „Additional Amounts“) to the Noteholders as the Noteholders would have received if no such withholding or deduction had been required, except that no such Additional Amounts will be payable for any such Taxes in respect of any Note which:

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or
- (b) are to be withheld or deducted by reason of the relevant Noteholder having some connection with the Issuer's country of domicile for tax purposes other than the mere holding of that Note; or
- (c) are to be withheld or deducted pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which the Issuer's country of domicile for tax purposes or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or
- (d) are to be withheld or deducted reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and

ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 10 wirksam wird; oder

- (e) von einer Zahlung an einen Anleihegläubiger abzuziehen oder einzubehalten sind, der in einem nicht kooperativen Steuerhoheitsgebiet im Sinne des Gesetzes zur Abwehr von Steuervermeidung und unfairem Steuerwettbewerb (Steueroasenabwehrgesetz) wie jeweils geändert oder ersetzt (einschließlich der aufgrund von diesem Gesetz ergangenen Verordnungen)) ansässig ist.

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

§ 7

Kündigungsgründe für die Anleihegläubiger

(1) Die Anleihegläubiger sind zur Kündigung ihrer Schuldverschreibungen berechtigt, wenn einer der nachfolgend aufgeführten Kündigungsgründe („Kündigungsgründe“) vorliegt:

- (a) Die Emittentin zahlt Kapital oder Zinsen unter den Schuldverschreibungen nicht am betreffenden Fälligkeitstag, es sei denn, die Nichtzahlung wurde durch ein technisches Versagen verursacht und wird innerhalb von zwei (2) Bankarbeitstagen nach Behebung des technischen Versagens nachgeholt; oder
- (b) Die Emittentin unterlässt die ordnungsgemäße Erfüllung irgendeiner sonstigen wesentlichen Verpflichtung aus den Schuldverschreibungen, und die Unterlassung dauert fort, nachdem die Emittentin hierüber eine Mitteilung von einem Anleihegläubiger erhalten hat; oder
- (c) Eine (nicht im Rahmen der Schuldverschreibungen bestehende) Kapitalmarktverbindlichkeit der Emittentin

notice thereof is published in accordance with § 10, whichever occurs later; or

- (e) are to be withheld or deducted from any payment to be made to a Noteholder being resident a non-cooperative country or territory (*nicht kooperatives Steuerhoheitsgebiet*) within the meaning of the act to prevent tax evasion and unfair tax competition (*Steueroasen-Abwehrgesetz*) as amended or replaced from time to time (including any ordinance (*Verordnung*) enacted based on this act).

(2) In any event, the Issuer will have no obligation to pay Additional Amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("FATCA Withholding") in relation to any withholding or deduction of 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 or indemnify any investor in relation to any FATCA Withholding.

§ 7

Events of Default

(1) The following are events of default ("Events of Default") for the purposes of the Notes:

- (a) The Issuer fails to pay principal or interest on the Notes on the respective due date, unless such non-payment was caused by technical failure and is remedied within two (2) Banking Business Days after such technical failure has been solved; or
- (b) The Issuer fails to duly perform any other material obligation arising under the Notes and any such failure continues after the Issuer has received notice thereof from a Noteholder; or
- (c) Any Capital Market Indebtedness of the Issuer (other than under the Notes) becomes due and payable prior to its specified

wird infolge eines Kündigungsgrunds (unabhängig von der Bezeichnung) vor ihrer festgelegten Fälligkeit fällig und zahlbar (sei es durch Kündigung, automatische vorzeitige Fälligkeitstellung oder auf andere Weise) mit der Maßgabe, dass der Gesamtbetrag der Kapitalmarktverbindlichkeiten (wie nachstehend definiert) mindestens EUR 100.000.000 (oder den Gegenwert in einer anderen Währung) beträgt; oder

- (d) Die Emittentin gibt ihre Zahlungsunfähigkeit bekannt oder stellt ihre Zahlungen ein; oder
- (e) Ein Gericht eröffnet ein Insolvenzverfahren gegen die Emittentin; oder
- (f) Die Emittentin geht in die Liquidation oder wird abgewickelt oder aufgelöst (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem bzw. der die Emittentin noch zahlungsfähig ist und bei dem bzw. der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt).

(2) Bei Eintritt oder Fortdauer eines Kündigungsgrundes kann jeder Anleihegläubiger seine Schuldverschreibungen durch schriftliche Mitteilung an die Emittentin kündigen, woraufhin seine Schuldverschreibungen sofort zu ihrem Nennbetrag zuzüglich aufgelaufener Zinsen, ohne weitere Handlungen oder Formalitäten fällig werden.

(3) „Kapitalmarktverbindlichkeiten“ bedeutet jede Verpflichtung zur Rückzahlung aufgenommenener Gelder in der Form von oder verbrieft durch Schuldverschreibungen oder ähnliche(n) Wertpapiere(n) mit einer ursprünglichen Laufzeit von mehr als einem Jahr, die an einer Wertpapierbörse oder in einem over-the-counter Wertpapiermarkt notiert, eingeführt oder gehandelt werden oder dort notiert, eingeführt oder gehandelt werden.

§ 8 Vorlegung und Verjährung

- (1) Die Vorlegungsfrist gemäß § 801 Absatz 1 Bürgerliches Gesetzbuch für Schuldverschreibungen wird auf 10 Jahre verkürzt.
- (2) Die Verjährungsfrist für innerhalb der Vorlegungsfrist vorgelegte Schuldverschreibungen beträgt zwei Jahre von dem Ende der

maturity (whether by declaration, automatic acceleration or otherwise) as a result of an event of default (howsoever described), provided that the aggregate amount of Capital Market Indebtedness (as defined below) amounts to at least EUR 100,000,000 (or its equivalent in other currencies); or

- (d) The Issuer announces its inability to meet its financial obligations (*Zahlungsunfähigkeit*) or suspends payments; or
- (e) A court opens insolvency proceedings against the Issuer; or
- (f) The Issuer enters into a winding up or dissolution and liquidation (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer).

(2) If an Event of Default occurs and is continuing, any Note may by written notice addressed to the Issuer be declared due and payable, whereupon such Note will become immediately due and payable at their Nominal Amount together with accrued interest without further action or formality:

(3) “Capital Market Indebtedness” shall mean any obligation for the repayment of borrowed money represented by bonds, notes, debentures or any similar securities which are or are capable of being quoted, listed or traded on any stock exchange or over-the-counter securities market or which are otherwise publicly traded or intended to be publicly traded, having an original maturity of more than one year.

§ 8 Presentation and Prescription

- (1) The presentation period for the Notes established by Section 801(1) of the German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to 10 years.
- (2) The prescription period for Notes presented within the presentation period is two years from the end of the relevant presentation

betreffenden Vorlegungsfrist an.

§ 9

Emissionsstelle und Zahlstelle

Emissionsstelle und Zahlstelle ist die Citibank Europe Plc („Citibank Europe“) (die „Emissionsstelle“ und die „Zahlstelle“). Sofern irgendwelche Ereignisse eintreten sollten, die nach Ansicht der Citibank Europe dazu führen, dass sie nicht in der Lage ist, als Emissionsstelle und/oder Zahlstelle tätig zu werden, wird sie mit Zustimmung der Emittentin ein geeignetes Kreditinstitut als Emissionsstelle und/oder Zahlstelle bestellen. Sollte die Citibank Europe außerstande sein, die Übertragung der Funktion als Emissionsstelle und/oder Zahlstelle vorzunehmen, so ist die Emittentin verpflichtet, ihrerseits eine geeignete Bank als Emissionsstelle und/oder Zahlstelle zu bestellen. Eine Übertragung der Emissionsstellen- und/oder Zahlstellenfunktion ist von der Citibank Europe oder gegebenenfalls von der Emittentin unverzüglich gemäß § 10 oder, falls dies nicht möglich sein sollte, in sonstiger Weise bekannt zu machen. Die Emissionsstelle und die Zahlstelle handelt in ihrer Eigenschaft als solche ausschließlich als Beauftragte der Emittentin und steht nicht in einem Auftrags- oder Treuhandverhältnis zu den Anleihegläubigern.

§ 10

Mitteilungen

Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Anleihegläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Anleihegläubigern mitgeteilt.

§ 11

Begebung weiterer Schuldverschreibungen / Ankauf

(1) Die Emittentin kann ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen derart begeben, dass diese mit den Schuldverschreibungen zu einer einheitlichen Schuldverschreibung und einer Serie zusammengefasst werden und ihren Gesamtnennbetrag erhöhen. Die Bedingungen der weiteren Schuldverschreibungen müssen mit den Bedingungen der bereits begebenen Schuldverschreibungen mit Ausnahme des Begebungsdatums und des Emissionspreises identisch sein.

period.

§ 9

Issuing Agent and Paying Agent

The Issuing Agent and Paying Agent is Citibank Europe Plc (“Citibank Europe”) (the “Issuing Agent” and the “Paying Agent”). Should any event occur which in the opinion of Citibank Europe would prevent it from acting as Issuing Agent and/or Paying Agent Citibank Europe will with the consent of the Issuer appoint an appropriate credit institution as Issuing Agent and/or Paying Agent. Should Citibank Europe be unable to transfer its function as Issuing Agent and/or Paying Agent the Issuer will be obliged to appoint an appropriate bank as Issuing Agent and/or Paying Agent. A transfer of the issue agency and/or paying agency function must be announced without delay in accordance with § 10 or, should this prove to be impossible, in some other way by Citibank Europe or by the Issuer, as the case may be. Each of the Issuing Agent and the Paying Agent in its respective capacity as such acts solely as the agent of the Issuer and assumes no obligation to, and has no relationship of agency or trust with, any Noteholder.

§ 10

Notices

The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Noteholders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.

§ 11

Issues of further Notes / Purchase

(1) The Issuer may without the consent of the Noteholders issue further notes to be fungible with, and to form one single series with the Notes and increase the aggregate nominal amount of the Notes. Such further notes must have terms identical to those of the Notes already issued except for their issue date and the issue price.

(2) Die Emittentin ist jederzeit berechtigt, Schuldverschreibungen in jedem Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, wieder verkauft oder zwecks Entwertung eingezogen werden.

§ 12
Anwendbares Recht und Gerichtsstand

(1) Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) Ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ist das Landgericht Köln.

§ 13
Sprache

Diese Emissionsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich und dient nur der Vereinfachung.

(2) The Issuer may at any time purchase Notes in any market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered for cancellation.

§ 12
Applicable Law, Place of Jurisdiction

(1) The Notes, as to form and content, and all rights and obligations of the Noteholders and the Issuer shall be governed in every respect by German law.

(2) The District Court (*Landgericht*) in Cologne shall have exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Notes.

§ 13
Language

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

SELLING RESTRICTIONS

1. General

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum, any circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

2. United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in accordance with Regulation S. 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 or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S. Accordingly, each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that neither it, nor any of its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Notes. Terms used in this paragraph have the meanings given to them by Regulation S.

3. The 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)

- (1) 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
- (2) it has not offered or sold and will not offer or sell any Notes 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 Notes 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 Notes 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 such Notes in, from or otherwise involving the United Kingdom.

4. Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; (the “FIEA”). Accordingly, 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, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes 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 resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

5. Singapore

Each Dealer has acknowledged (and each further Dealer appointed under the Programme will be required to acknowledge) that this Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, 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 or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

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

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.