

**SUPPLEMENT DATED 25 OCTOBER 2021
TO THE BASE PROSPECTUS DATED 4 MAY 2021**



TenneT Holding B.V.

(Incorporated with limited liability in the Netherlands with its statutory seat in Arnhem)

EUR 15,000,000,000

Euro Medium Term Note Programme

Due from one month to 50 years from the date of original issue

This supplement (the "**Supplement**") is prepared as a supplement to, and must be read in conjunction with, the base prospectus dated 4 May 2021 (the "**Base Prospectus**"). The Base Prospectus has been issued by TenneT Holding B.V. ("**TenneT**" or the "**Issuer**") in respect of a EUR 15,000,000,000 Euro Medium Term Note Programme (the "**Programme**"). This Supplement constitutes a supplemental prospectus to the Base Prospectus for the purposes of Article 23 of the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").

This Supplement has been approved by the Netherlands Authority for the Financial Markets (the "**AFM**") as competent authority under the Prospectus Regulation. The AFM only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Supplement or of the quality of any Euro Medium Term Notes (the "**Notes**") that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

Terms used but not defined in this Supplement have the same meanings ascribed to them in the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Full information on the Issuer and any Series or Tranches of Notes is only available on the basis of the combination of the Base Prospectus, this Supplement and the relevant Final Terms.

Neither this Supplement, the Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitute, or are intended to constitute an offer to sell or the solicitation of an offer to buy any Notes by or on behalf of Issuer, the Arranger or any Dealer in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

The Issuer accepts responsibility for the information contained in this Supplement and for information incorporated by reference herein. To the best of the knowledge of the Issuer, the information contained in this Supplement is in accordance with the facts and makes no omission likely to affect its import.

No person has been authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus and this Supplement, the applicable Final Terms or any document incorporated by reference herein or therein, or any other information supplied in connection with the Programme or the Notes 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.

Neither this Supplement, the Base Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer, the Arranger or any Dealer that any recipient of this Supplement, the Base Prospectus or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Arranger or any Dealer in their capacity as such. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

Neither the delivery of this Supplement, the Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in the Base Prospectus and herein concerning the Issuer is correct at any time subsequent to 4 May 2021 (in the case of the Base Prospectus) or the date hereof (in the case of this Supplement) or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since such date, or that any other information supplied in connection with the Programme or the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme.

Neither the Issuer, the Arranger nor any Dealer represent that the Base Prospectus and this Supplement may be lawfully distributed in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. The distribution of the Base Prospectus and this Supplement may be restricted by law in certain jurisdictions. Persons into whose possession the Base Prospectus and this Supplement come must inform themselves about and observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Supplement, the Base Prospectus or any Final Terms and other offering materials relating to the Notes, see "*Subscription and Sale*" in the Base Prospectus. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any State or other jurisdiction of the United States, and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

So long as the Base Prospectus (as supplemented by this Supplement) is valid as described in Article 12 of the Prospectus Regulation, copies of this Supplement and the Base Prospectus, together with the other documents listed in the "General Information" section of the Base Prospectus and the information incorporated by reference in the Base Prospectus, will be available for viewing on the Issuer's website <https://www.tennet.eu/nl/bedrijf/investor-relations/emtn-programma/> and for inspection, during usual business hours on any weekday (public holidays excepted), at the office of the Issuer, Utrechtseweg 310, 6812 AR Arnhem, The Netherlands.

RECENT DEVELOPMENTS

This Supplement has been prepared to include in the Base Prospectus (information regarding):

- A. the publicly available reviewed interim condensed consolidated financial statements of the Issuer (including the notes thereto and the independent auditor's review report thereon) for the six month period that ended on 30 June 2021, which are included in the TenneT Half-year report 2021 (English version), pages 5-19 (paragraphs 1 - 4);
- B. a change to Condition 6(d) (*Redemption at the Option of the Issuer (Issuer Call)*) and a corresponding update to item 18, Part A of the Form of Final Terms (paragraphs 5 - 6)
- C. updates to the risk factor paragraphs and the "Business Description of Issuer" on the following topics:
 - I. Update on the legal structure of the Group (paragraphs 7 - 8)
 - II. Regulatory updates (paragraphs 9 - 19)
 - III. Litigation updates (paragraphs 20 - 22)
 - IV. Miscellaneous (paragraphs 23 - 35).

With effect from the date of this Supplement, the information contained in, or incorporated by reference into, the Base Prospectus will be amended and supplemented as further described below.

AMENDMENTS AND SUPPLEMENTS TO THE BASE PROSPECTUS

A. TenneT Half-year report 2021

1. The following text is inserted as the first item of the bulleted list on page 33 of the Base Prospectus (section "*Documents Incorporated by Reference*"):

"pages 5-19 (inclusive) of the TenneT Half-year report 2021 – https://www.tennet.eu/fileadmin/user_upload/Company/Investor_Relations/Annual_Report/TenneT_HYR_2021.pdf (English version);"

2. The second sentence of paragraph (6) on page 131 of the Base Prospectus (section "*General Information*"), starting with the words "*There has been no significant change*" and ending with the words "*31 December 2020*", is replaced by the following paragraph:

"There has been no significant change in the financial position or financial performance of the Issuer or of the Group since 30 June 2021."

3. The following text is inserted as the third item of the numbered list in paragraph (14) on page 132 of the Base Prospectus (section "*General Information*"):

"the unaudited interim condensed consolidated financial statements of the Issuer for the six month period ended 30 June 2021, which are included in the published TenneT Half-year report 2021 as incorporated by reference into this Prospectus;"

4. Paragraph (16) on page 133 of the Base Prospectus (section "*General Information*"), starting with the words "*Ernst & Young Accountants LLP*" and ending with the words "*Ernst & Young Accountants LLP*", is replaced by the following paragraph:

"Ernst & Young Accountants LLP have audited and issued an unqualified independent auditor's report on the consolidated financial statements of the Issuer for the year ended on 31 December 2019. The auditors of Deloitte Accountants B.V. have (i) audited and issued an unqualified independent auditor's report on the consolidated financial statements of the Issuer for the year ended on 31 December 2020, and (ii) reviewed and issued an unqualified independent auditor's review report on the unaudited interim condensed consolidated financial statements of the Issuer for the six month period ended 30 June 2021.

The auditors of Ernst & Young Accountants LLP and Deloitte Accountants B.V. are members of the Koninklijke Nederlandse Beroepsorganisatie van Accountants (NBA), which is a member of International Federation of Accountants (IFAC). The independent auditor's reports have been included in this Prospectus, through incorporation by reference, with the consent of Ernst & Young Accountants LLP and Deloitte Accountants B.V."

B. A change to Condition 6(d) (*Redemption at the Option of the Issuer (Issuer Call)*)

5. The last paragraph of Condition 6(d) (*Redemption at the Option of the Issuer (Issuer Call)*) on pages 53 and 54 of the Base Prospectus (section “*Terms and Conditions of the Notes*”), starting with the words “*If Issuer Refinancing Call is specified hereon*” and ending with the words “*the Refinancing Repurchase Date*” is replaced by the following paragraph:

“If Issuer Refinancing Call is specified hereon, the Issuer may, having given (A) not less than 10 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms to the Noteholders in accordance with Condition 14 and (B) not less than 10 days before the giving of the notice referred to in (A), notice to the Fiscal Agent, (both of which notices shall be irrevocable), at any time on or after the Issuer Refinancing Call Period Commencement Date as is specified in the applicable Final Terms redeem all, but not less than all, Notes then outstanding on such redemption date (the “**Refinancing Repurchase Date**”) at their nominal amount together, if appropriate, with interest accrued to (but excluding) the Refinancing Repurchase Date.”

6. The following text is inserted as limb (ii) of item 18 (*Issuer Refinancing Call*), Part A of the Form of Final Terms on page 124 of the Base Prospectus (section “*Form of Final Terms*”):

“(ii) Issuer Refinancing Call Period Commencement Date: [●]”

C. Updates on risk factors and "Business Description of Issuer" paragraphs

I. Update on the legal structure of the Group

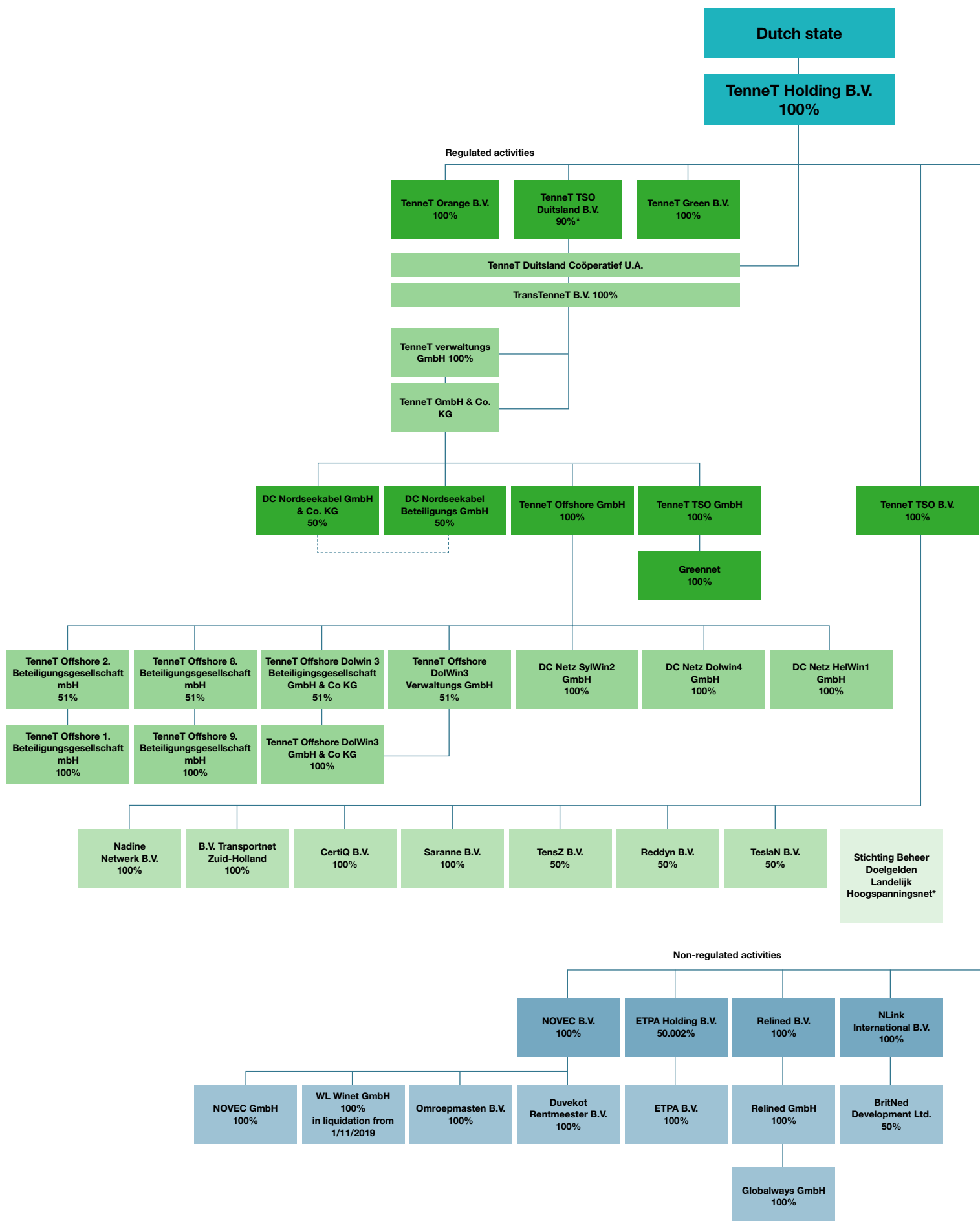
7. The first sentence on page 76 of the Base Prospectus starting with the words "*The legal structure*" and ending with the words "*(minority participations excluded)*:" shall be replaced by the following sentence:

"The legal structure of the Group as of 23 July 2021 is as follows (minority participations excluded):"

8. The structure chart on page 76 of the Base Prospectus shall be replaced the structure chart on the following page:

TenneT Group legal overview

(as per 23 July 2021)



*10% Stichting Beheer Doelgelden Landelijk Hoogspanningsnet

II. Regulatory updates

9. The second and third paragraphs following the heading "*Connection of offshore wind farms*" on page 12 of the Base Prospectus starting with the words "*The realisation of*" and ending with the words "*has been approved*" shall be replaced by the following paragraphs:

"The realisation of offshore grid connection systems extending from the offshore wind farms ("**OWF**") to the nearest technologically and economically feasible onshore grid connection point ("**OWF Connections**") requires large scale investments. As TenneT decided to make use of the grandfathering model introduced by the ordinance "Regulation for the calculation of the Offshore grid levy and adjustments to the regulatory framework" (*Verordnung zur Berechnung der Offshore-Netzumlage und zu Anpassungen im Regulierungsrecht*, "**ONU-VO**"), the regulatory treatment of investments depends on whether the respective projects are completed and commissioned before year-end 2019 or later. For new project investments, there is a risk that BNetzA does not approve certain capital expenditures, because they are higher than those of an "efficient and comparable grid operator" (section 3a paragraph 1 in conjunction with section 4 paragraph 1 StromNEV). That could lead to a material negative effect on the financial position of TenneT TSO Germany if those cost positions are not covered through other mechanisms.

Until 2018, BNetzA granted an OPEX lump sum for offshore assets of 3.4%. BNetzA has revised its decision to grant an OPEX lump sum for offshore assets. In the new ruling the BNetzA has stated that the operational expenses shall be reimbursed based on actuals with effect as from 1 January 2019. However, it cannot be ruled out that the actual operating costs will not be fully reimbursed due to insufficient verification. In its decision of 18 May 2020, the BNetzA revoked the lump sum for offshore assets with retroactive effect for the year 2018. The statement of grounds of the appeal of TenneT Offshore 9. Beteiligungsgesellschaft mbH was submitted to the Düsseldorf Higher Regional Court (OLG Düsseldorf) on 18 August 2021. The court has set the date for the oral hearing for 27 April 2022. For TenneT TSO GmbH and the remaining TenneT Offshore TSOs the deadline for filing the statement of grounds of the appeal was extended until 20 July 2022."

10. The penultimate paragraph on page 78 of the Base Prospectus starting with the words "*Similar to Dutch*" and ending with the words "*on 3 August 2015*" shall be replaced by the following paragraph:

"Similar to Dutch requirements, German electricity grid operators have to be unbundled from other business operations of a vertically integrated energy utility. In order to guarantee a transparent, non-discriminatory operation of the electricity grid, the EnWG not only provides for separate accounting but also for legal, operational and informational unbundling. In addition, based on the European Union's unbundling rules (introduced by the third legislative energy law package in article 43 et seqq. of EU Directive 2019/944) and corresponding rules in the German statutory framework, TSOs are subject to certain unbundling obligations. In this respect, TSOs have to be certified in order to ensure compliance with applicable unbundling requirements. TenneT TSO Germany was certified by BNetzA on 3 August 2015."

11. The fifth paragraph on page 79 of the Base Prospectus starting with the words "*Similar to TenneT*" and ending with the words "*onshore electricity grid system*" shall be replaced by the following paragraph:

"Similar to TenneT TSO NL's tasks, TenneT TSO Germany is required to maintain the balance of the German transmission grid system within its control area (*Regelzone*) and thereby contribute to the balancing of the interconnected systems in Europe. TenneT TSO Germany is not active in any downstream (distribution) grid operations. In addition, TenneT TSO Germany is required to grant third party access to its transmission grid on an economically reasonable, non-discriminatory and transparent basis. The ARegV provides for an incentive regulation framework which governs the allowed revenues from which grid access tariffs are consequently derived. This includes also the framework of so-called investment measures providing timely reimbursement, particularly for grid extension and grid restructuring measures. From 2024 on – with a transitional phase until 2029 – the investment measure scheme will be replaced by a so-called "capital cost adjustment" as a part of a new reimbursement mechanism ("**Kapitalkostenabgleich**"). In this new mechanism there is no differentiation between replacement and expansion investments, and the reimbursements of investment costs will be determined and adjusted annually. The treatment of investment measures and the reimbursement of investments for offshore projects finished and commissioned before year-end 2019 that are treated under the grandfathering model remains materially the same as before the introduction of the ONU-VO. Offshore projects finished and commissioned after year-end 2019 will be treated under the new regulatory regime. Further, TenneT TSO Germany is required to grant grid connections to grid users such as large industrial customers and power plants on a non-discriminatory basis. This includes the obligation to construct and operate OWF connections necessary to connect OWFs in the North Sea to the German onshore electricity grid system."

12. The first three paragraphs following the heading "*Tariff regulation for the next regulatory period (2022-2026)*" on page 92 of the Base Prospectus starting with the words "*During 2020 and 2021*" and ending with the words "*are expected in 2021*" shall be replaced by the following paragraphs which, for the avoidance of doubt, include footnote 1 thereto:

"During 2020 and 2021, the ACM has held numerous consultation meetings to prepare for the next regulatory period. The new method decision regarding TenneT TSO NL will apply for a period of five years (2022-2026). For this new regulatory period, the ACM decided to change the methodology for establishing the risk free rate in the WACC. Following the consultation input of market parties for the gas TSO Gasunie Transport Services B.V. ("**GTS**"), the ACM has decided to replace the estimated (risk free) rate¹ for equity and debt by the actual (risk free) rate in the respective year of the next regulatory period. This would likely negatively impact TenneT's cash flows (and may therefore decrease the revenue of the Issuer in the Netherlands) in the foreseeable future due to the continuing decline in risk free rates (see "*Risk Factors – Impact of Dutch and German regulatory frameworks on the Issuer's business financial conditions and net income – Dutch regulatory and administrative decisions and proceedings*").

The ACM decided to maintain the current real WACC system. However, due to financing issues of Grid Operators in light of the energy transition, the ACM decided to lower the inflation estimate from 1.8% to 0.9%, which effectively means that assets are inflated by 0.9% less and the adjusted real

¹ Debt is based on the cost of debt of a peer group (obligation-index of European utilities with a single A-rating) and transaction costs on top of the utility-index rate.

WACC is 0.9% higher. This new system will in principle only apply for the next regulatory period. The adjusted real WACC for new assets will be 1,9% in the years 2022-2026.

The ACM increases the beta of TenneT TSO NL's offshore investments to reflect the risk of the size of the investment portfolio in relation to the existing regulatory asset base. This will amount to an increase in the WACC for TenneT TSO NL's offshore investments of 0.5% resulting in the adjusted real WACC for new assets offshore of 2,4% in the years 2022-2026.

The ACM has conducted a European Benchmark study (TCB18). As a result of this study, the model and methodology of the benchmark have been significantly revised compared to the previous benchmark, and TenneT was deemed 71.5% efficient. In the final method decision relating to the next regulatory period, the ACM decided to increase TenneT's efficiency score following errors in the model and calculations (score after corrections: 86.6%) and adding a 2.5% uncertainty margin, resulting in a 89.1% efficiency score. Furthermore, the ACM decided to honour the grace period of 15 years that started in 2010 and lasts until 2025. Therefore, TenneT's efficiency score would decline from 97.28% in 2022 to 89.1% in 2025. On average this would amount to an efficiency percentage of 92.37%. Such decrease in TenneT's efficiency score for the next regulatory period could lead to a decreased revenue and/or an impairment of assets of the Issuer in the Netherlands."

13. The final paragraph on page 92 of the Base Prospectus starting with the words "*The ACM intends*" and ending with the words "*and system operations*" shall be replaced by the following paragraph:

"The ACM decided to estimate TenneT's new investments based on a 3 year historic average. To compensate for any deviations between estimated and actual investments, the ACM decided to replace the estimated values with the actual values for all investments with a service life exceeding 10 years in subsequent years. Furthermore, the ACM decided to apply this approach also to offshore and system operations."

14. The first four paragraphs on page 93 of the Base Prospectus starting with the words "*The ACM also intends*" and ending with the words "*can be made*" shall be replaced by the following paragraphs:

"The ACM decided to adjust the OPEX budget, which is based on a 3 year historic average for the expected development in acquisition values following the aforementioned method of balancing existing investments and estimating new investments.

With respect to the regulation of energy and power, the ACM decided to ensure a full pass through for system operations costs of energy and power. For energy and power related to the transportation task (redispatch, losses and reactive power), the ACM decided to maintain the maximum exposure of 5% on the budget for these procurement costs.

The ACM decided to determine the frontier shift for the regulatory period 2022-2026 following the existing methodology where the frontier shift is based on the weighted average productivity growth of eight relevant sectors. This results in a frontier shift of 0.5% for onshore and 0.2% for offshore.

"For the offshore grid, the ACM intends to estimate the directly attributable OPEX of operating a grid connection system. as a percentage of the investment value, with the proposed estimate being 1.2%. The ACM and TenneT are still discussing the applicable assumptions for this percentage. All other

OPEX is based on historic averages (2018-2020). Network losses for the offshore grid will be fully reimbursed as no reliable estimate can be made."

15. The sixth paragraph on page 93 of the Base Prospectus starting with the words "*The final method*" and ending with the words "*draft method decision*" shall be deleted.
16. The final paragraph on page 93 of the Base Prospectus, the continuation of that paragraph on page 94, and the first full paragraph on page 94, starting with the words "*In the context of*" and ending with the words "*grid restructuring measures*" shall be replaced by the following paragraphs:

"In 2021, the ARegV has been amended in the context of the amendment of the "Network Expansion Acceleration Act for Transmission Networks" (NABEG) of 17 May 2019 and the redesign of the redispatch/feed-in management process. The main contents of this amendment are the introduction of efficiency incentives for both distribution and transmission system operators and the new treatment of CAPEX for transmission system operators described below.

The amendment of the ARegV may affect the revenues of TenneT TSO Germany. Based on the allowed revenues established by BNetzA the grid operators calculate their grid tariffs independently. In this respect, TenneT TSO Germany is dependent on a series of formal regulatory decisions and assessments by BNetzA. With the ONU-VO coming into effect, a different regulatory framework will be applicable for the onshore grid than for the offshore grid. For the onshore grid the regulatory framework will basically remain the same as before, notably the determination of the cost base level (Ausgangsniveau) which determines the basis for the revenue caps in each year of the regulatory period (currently: third regulatory period 2019-2023) including the calculation of the cost base level, the determination of the rates of imputed return on equity applicable for the relevant regulatory period, the assessment and determination of the individual efficiency factor and the determination of the sectorial productivity factor."

17. The following paragraphs shall be inserted after the third paragraph on page 94 of the Base Prospectus starting with the words "*The calculation of*" and ending with the words "*actual costs of debt*":

"With the amendment of the ARegV, the treatment of the CAPEX for DSO and TSO will be almost completely standardized from 2024 and the concept of the capital cost adjustment mechanism ("**Kapitalkostenabgleich**"), which has previously only been used for DSOs, will also be introduced for TSOs. The Kapitalkostenabgleich concept implies that each year, the regulatory asset base is increased by new expansion and replacement investments (capex) and decreased by asset disposals and depreciation. The regulatory remuneration for capital costs is then calculated using the adjusted asset base on an annual basis. TSOs can still apply for investment measures until 31 March 2022. There is a transition period for approved investment measures until 2028. In the regulatory period starting 2024, the concepts of Kapitalkostenabgleich and investment measures will be applied in parallel. However, the capital cost reduction is suspended for that period. Network operators have the right to choose which concept they want to apply.

Furthermore, the 2021 ARegV amendment introduced incentives on redispatch. The incentive mechanism is designed as a limited bonus/malus scheme. From 2022 on there is set a reference value for all redispatch costs of all 4 German TSOs. If the actuals are higher than the reference value, then the TSOs have to bear a 6% share of the difference between the actuals and the reference value (malus) up to EUR 30 million (cap). Vice versa, if the actuals are below the reference value, the TSOs are

allowed to keep a 6% share of the difference as a bonus. For the years 2022 and 2023 the scheme is applied just with an uncapped bonus. From 2024 on the mechanism is applied symmetrical with bonus and malus. The reference value is calculated based on the actual costs of the five previous years (for the years until 2026 there is an additional premium because of the Minimum Remaining Available Margin (MinRAM) obligations in the Clean Energy Package for the capacity allocation along the interconnectors between countries). The bonus/malus is allocated to the 4 TSOs pro rata to the end consumption (TenneT Germany's share approx. 30%)."

18. The last paragraph on page 94 of the Base Prospectus starting with the words "*At the beginning of*" and ending, on page 95, with the words "*third regulatory period*" shall be replaced by the following paragraphs:

"At the beginning of 2019, TenneT TSO Germany received from BNetzA the formal decision for the determination of the yearly revenue cap for the onshore grid for the third regulatory period, which is based on the prior cost assessment. BNetzA's cost assessment of the offshore grid connection costs over the year 2019 (part of the offshore grid levy) is still ongoing.

For the current third regulatory period, BNetzA has determined the following rates of return on equity (which is capped at a maximum of 40% of total capital): 5.12% (before corporate tax, after trade tax) apply to so-called "old assets", *i.e.* assets commissioned prior to 1 January 2006. This reflects a real interest rate (*Realzins*) applying to acquisition and production costs subject to indexation to reflect the current value of the assets (*Tagesneuwerte*). An imputed interest rate of 6.91% (before corporate tax, after trade tax) applies to so-called "new assets", *i.e.* assets commissioned on or after 1 January 2006. This reflects a nominal interest rate (*Nominalzins*) applying to historical acquisition and production costs (*Herstellungs- und Anschaffungskosten*) of the respective assets. The decision of BNetzA has been appealed by various grid operators, including TenneT TSO Germany, but in July 2019 the Federal High Court of Justice in Germany confirmed the decision of the BNetzA. Therefore the determined rates of return on equity are applicable for the third regulatory period. On 14 July 2021, BNetzA has published its expert opinions for the consultation of the RoE (<40%) for the 4th regulatory period (2024-2028). The RoE (<40%) in the draft determination is 4.6% before tax (3.74% after tax). Due to the criticism of the grid operators during the consultation, the BNetzA decided to raise the RoE (<40%) to 5.07% before tax (4.13% after tax) in the final determination, which was published on 20 October 2021.

19. The third sentence of the last paragraph on page 95 of the Base Prospectus starting with the words "*Offshore grid expansion*" and ending with the words "*site development plan (FEP)*" shall be replaced by the following sentence:

"Offshore grid expansion is based on the grid development plan (NEP) and the site development plan (FEP)."

III. Litigation updates

20. The last paragraph on page 10, ending on page 11, of the Base Prospectus, starting with the words "*Furthermore, TenneT TSO NL*" and ending with the words "*in the future*" shall be replaced by the following two paragraphs:

"Furthermore, TenneT TSO NL was involved in an ACM procedure regarding a claim of an industrial customer due to an unplanned outage of the 150kV network. At the request of this industrial customer, the ACM decided that TenneT TSO NL does not comply with the obligation of Article 31, paragraph 12 of the Dutch electricity act that states that the high voltage grids (except for the grid at sea) are designed redundantly in order to prevent outages. TenneT TSO NL filed an appeal against this ACM decision with the College van Beroep voor het bedrijfsleven (the "**CBb**"). The CBb ruled that TenneT TSO NL does comply with the redundancy criteria for the involved grid station, but confirmed the judgment of the ACM that TenneT TSO NL during this outage has not acted in accordance with the provisions in the Dutch electricity act, more specifically article 16 (grid operator task) of the Dutch electricity act. This CBb ruling has been used as a starting point in a civil law procedure regarding the question whether and to what extent TenneT TSO NL is obliged to compensate damages caused by the unplanned outage of the network. The court of first instance ruled that TenneT does not have to pay damages to the industrial customer.

In respect of a similar claim, the European Court of Justice established that a complaint made by a different entity against TenneT as the operator of a national grid following power failure may not be dismissed for the sole reason that that party's installation is not connected to the national electricity system, but only to a regional system linked to the national system. TenneT is currently not aware of any civil law procedure lodged against it by this third party to claim damages from TenneT."

21. The paragraph under the heading "*System Responsibility*" on page 13 of the Base Prospectus starting with the words "*As set out*" and ending with the words "*Issuer – Regulatory framework*." shall be replaced by the following paragraph:

"As set out under "*Business Description of the Issuer – Regulatory framework – System responsibility*", the German Electricity Market Act (*Strommarktgesetz*) includes, *inter alia*, amendments in relation to redispatch measures and decommissioning of generation facilities, and costs incurred by TenneT TSO Germany resulting from such measures are normally recognised by BNetzA as grid-related costs subject to reimbursement under the incentive regulation regime. In this context, several lawsuits have been lodged against TenneT TSO Germany (see "*Business Description of the Issuer – Legal and arbitration proceedings – TenneT TSO Germany*"). These claims are still pending. According to decisions of the Court of First Instance, TenneT TSO Germany has to reimburse utilities for certain costs retroactively. It cannot be entirely ruled out that the outcome of these claims may have a negative impact on the financial position of TenneT TSO Germany. A settlement process between TSOs, BNetzA and power plant operators utility companies has been initiated and the redispatch cost recognition (*Freiwillige Selbstverpflichtung* ("**FSV**")) was adapted. For the further development and the introduction of incentives on redispatch see "*Business Description of the Issuer – Regulatory framework*"."

22. The first paragraph under the heading "*German Electricity Grid Market*" on page 78 of the Base Prospectus starting with the words "*The German electricity*" and ending with the words "*expected in 2021*" shall be replaced by the following paragraph:

"The German electricity grid market is subject to a comprehensive regulatory regime governed by numerous acts and ordinances which are subject to constant modifications and amendments. The main pieces of legislation are the German Energy Industry Act (*Energiewirtschaftsgesetz*, "**EnWG**") and several ordinances, most notably the Ordinance on Incentive Regulation (*Anreizregulierungsverordnung*, "**ARegV**"), the Ordinance on Grid Tariffs (*Stromnetzentgeltverordnung*, "**StromNEV**") and the Ordinance on Grid Access (*Stromnetzzugangsverordnung*, "**StromNZV**"). BNetzA is the competent regulatory authority *vis-à-vis* TenneT TSO Germany. Main areas of regulation are grid access including grid access terms and conditions such as grid tariffs (subject to incentive regulation), grid connection, grid development and grid system services. This regulatory approach is currently subject to proceedings at the European Court of Justice, in which the Advocates General opinions were published in January 2021. The judgment of the European Court of Justice was published on 2 September 2021. In its judgement the European Court of Justice fully upholds EU Commission's action against the Federal Republic of Germany and regards BNetzA's exclusive competence as infringed. The ruling is likely to lead to fundamental changes in national German energy law in the medium term. Such changes may impact the revenue levels of TenneT TSO Germany and may therefore impact its cash flows. Based on the current view of the Federal Network Agency (BNetzA) and the current case law of the Düsseldorf Higher Regional Court (OLG Düsseldorf) and the Federal Court of Justice (BGH), until the necessary reorganization of the legal framework, the existing regulations of the EnWG and the network charge and network access ordinances continue to apply."

IV. Miscellaneous

23. The penultimate sentence of the first paragraph on page 12 of the Base Prospectus under the heading "*Clean Energy Package*" starting with the words "*The German government*" and ending with the words "*target by 2024*" shall be replaced by the following sentence:

"The German government introduced an action plan to gradually achieve the 70% target by 2026"

24. The following paragraph will be inserted directly above the heading "*Scarcity of qualified short- and long-term staff*" on page 15 of the Base Prospectus:

"Geopolitical risk

The Issuer faces a substantial investment programme in the coming years to connect renewable and conventional electricity production capacity to the grid and to ensure optimal grid availability (security of supply). To realize its investment programme, the Group might do business with suppliers or secure equipment from countries which are politically sensitive due to national security concerns in either the Netherlands or Germany. Ongoing geopolitical and trade uncertainty from a range of factors may have a material adverse impact on the ability to do business with suppliers or secure equipment from countries which are politically sensitive due to national security concerns and consequently on the Issuer's business, financial condition and net income."

25. The second sentence of the last paragraph on page 17 of the Base Prospectus starting with the words "*The EUR 3,000,000,000*" and ending with the words "*in November 2024*" shall be replaced by the following sentence:

"The EUR 3,000,000,000 principal amount of the RCF matures in November 2026 and the EUR 300,000,000 principal amount of the RCF matures in November 2024"

26. In the list of "*Positions outside the Issuer*" of Ms M.J.J. (Manon) van Beek on page 84 of the Base Prospectus (section "*Business Description of Issuer*"), the position "*Chair of the Roundtable for Europe's Energy Future (REEF)*" is deleted.
27. In the list of "*Positions outside the Issuer*" of Mr M.C. (Maarten) Abbenhuis on page 84 of the Base Prospectus (section "*Business Description of Issuer*"), the position "*Member Cooperation Board TSCNET Services GmbH*" is replaced by the position "*Representative of the shareholder TSCNET Services GmbH*".
28. In the list of "*Positions outside the Issuer*" of Mr O. (Otto) Jager on page 84 of the Base Prospectus (section "*Business Description of Issuer*"), the position "*Member Supervisory Board of GreenneT*" is added as the final position.
29. In the list of "*Positions outside the Issuer*" of Mr T.C. (Tim) Meyerjürgens on pages 84 and 85 of the Base Prospectus (section "*Business Description of Issuer*"), the position "*Member Supervisory Board of GreenneT*" is added as the final position.
30. The third paragraph on page 85 of the Base Prospectus starting with the words "*on 5 February 2021*" and ending with the words "*up his succession*" shall be replaced by the following sentence:

"On 2 August 2021, TenneT announced that Dr. Arina Freitag will succeed Otto Jager as Chief Financial Officer on 1 January 2022."

31. In the list of "*Positions outside the Issuer, TenneT TSO NL or TenneT TSO Germany*" of Mr A.F. (Ab) van der Touw on page 85 of the Base Prospectus (section "*Business Description of Issuer*"), the position "*Chair Board Fonds Slachtofferhulp*" is replaced by the position " *Chair Supervisory Board Fonds Slachtofferhulp*".
32. In the list of "*Positions outside the Issuer, TenneT TSO NL or TenneT TSO Germany*" of Mr A.C.C. (Stijn) van Els on page 86 of the Base Prospectus (section "*Business Description of Issuer*"), the position "*Honerary consul general of the Bundesrepublik Deutschland in Rotterdam*" is added as the final position.
33. In the list of "*Positions outside the Issuer, TenneT TSO NL or TenneT TSO Germany*" of Ms L.J. (Laetitia) Griffith on page 86 of the Base Prospectus (section "*Business Description of Issuer*"), the position "*Chair Stichting Nederlands Vioolconcours*" is added as the final position.
34. Paragraph (vi) on page 109 of the Base Prospectus shall be replaced by the following bullet:

"(vi) various uncommitted bank- and credit lines totalling EUR 950,000,000 as at 30 June 2021;"
35. The final sentence on page 109 of the Base Prospectus shall be replaced by the following sentence:

"As at 30 June 2021, the Issuer had no financial (ratio) covenants in any of its credit agreements"