

PROSPECTUS DATED APRIL 21, 2017



## ROYAL SCHIPHOL GROUP N.V.

(INCORPORATED WITH LIMITED LIABILITY IN THE NETHERLANDS UNDER THE NAME ROYAL SCHIPHOL GROUP N.V. WITH CORPORATE SEAT AT SCHIPHOL, MUNICIPALITY OF HAARLEMMEERMEER, THE NETHERLANDS)

AS AN ISSUER AND AS A GUARANTOR

## SCHIPHOL NEDERLAND B.V.

(INCORPORATED WITH LIMITED LIABILITY IN THE NETHERLANDS UNDER THE NAME SCHIPHOL NEDERLAND B.V. WITH CORPORATE SEAT AT SCHIPHOL, MUNICIPALITY OF HAARLEMMEERMEER, THE NETHERLANDS) AS AN ISSUER AND AS A GUARANTOR

€3,000,000,000

## EURO MEDIUM TERM NOTE PROGRAMME

*On May 20, 1999 Royal Schiphol Group N.V. ("RSG") entered into a €500,000,000 Euro Medium Term Note Programme (as supplemented and amended, the "Programme"). On December 28, 2001 Schiphol Nederland B.V. ("Schiphol Nederland") was substituted in place of RSG in respect of the outstanding Notes issued under the Programme and RSG became a guarantor in respect of such Notes. As from March 8, 2002, each of Schiphol Nederland and RSG (together the "Issuers" and each an "Issuer") became an issuer under the Programme. This Prospectus supersedes the prospectus dated May 3, 2016. Any Notes (as defined below) issued under the Programme on or after the date of this Prospectus are issued subject to the provisions set out herein. This Prospectus does not affect any Notes already issued or any Notes issued after the date hereof and forming a single Series (as defined below) with Notes issued prior to the date hereof.*

Under the Programme, each of the Issuers may from time to time issue notes (the "Notes") denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below).

The payment of all amounts owing in respect of the Notes issued by RSG will be unconditionally and irrevocably guaranteed by Schiphol Nederland (in its capacity as guarantor, a "Guarantor") and the payment of all amounts owing in respect of the Notes issued by Schiphol Nederland will be unconditionally and irrevocably guaranteed by RSG (in its capacity as guarantor, a "Guarantor").

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €3,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "Overview of the Programme" and any additional Dealer appointed under the Programme from time to time (each a "Dealer" and together the "Dealers"), which appointment may be for a specific issue or on an ongoing basis. References in this Prospectus to the "relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

**An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "Risk Factors".**

Application has been made for the admission to listing on Euronext in Amsterdam ("Euronext Amsterdam") for Notes issued under the Programme up to the expiry of 12 months from the date of this Prospectus. References in this Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading and have been listed on Euronext Amsterdam. Euronext Amsterdam is a regulated market for the purposes of Directive 2004/39/EC (the Markets in Financial Instruments Directive, "MIFID"). Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will be set out in a final terms (the "Final Terms") which, with respect to Notes to be listed on Euronext Amsterdam, will be delivered to Euronext Amsterdam on or before the date of issue of the Notes of such Tranche.

At the date of this Prospectus, the Issuers have requested that the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, "AFM") in its capacity as the competent authority in the Netherlands (the "Competent Authority") send to the Financial Conduct Authority in its capacity as competent authority in the United Kingdom (the "UK Listing Authority") (i) a copy of this Prospectus and (ii) a certificate of approval pursuant to Article 18 of the Prospectus Directive (as defined below) attesting that the Prospectus has been drawn up in accordance with national law implementing the Prospectus Directive.

In addition, the Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the relevant Issuer and the relevant Dealer, provided that, in case of a listing on a regulated market, a prospectus supplement or individual (drawdown or base) prospectus is published. Each Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

The Issuers have been rated A1 by Moody's Investors Service Ltd. ("Moody's") and A+ by Standard and Poor's Credit Market Services Europe Limited ("S&P"). The Programme has been rated (P)A1 (Senior Unsecured) by Moody's and A+ by S&P. Each of Moody's and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 on credit rating agencies, as amended (the "CRA Regulation"). Further information relating to the registration of rating agencies under the CRA Regulation can be found on the website of the European Securities and Markets Authority. Notes issued under the Programme may be rated by either of the rating agencies referred to above or by any other rating agency as specified in the Final Terms or unrated. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms and will not necessarily be the same as the rating assigned to the Programme by the relevant rating agency. Whether or not a rating in relation to any Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to any Tranche of Notes may adversely affect the market price of the Notes of such Tranche.

Arranger  
ING  
Dealers

ABN AMRO  
J.P. MORGAN

BNP PARIBAS  
RABOBANK

ING  
NATWEST MARKETS

This Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive, as implemented by the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) and its implementing regulations. As used herein, the expression “*Prospectus Directive*” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

Each of RSG and Schiphol Nederland accepts responsibility for the information contained in this Prospectus and to the best of the knowledge and belief of each of RSG and Schiphol Nederland (each having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended, from January 1, 2018 to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, the expression “*retail investor*” means a person who is one (or more) of:

(A) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (the Markets in Financial Instruments Directive II, “*MiFID II*”);

(B) a customer within the meaning of Directive 2002/92/EC (the Insurance Mediation Directive, the “*IMD*”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(C) not a qualified investor as defined in the Prospectus Directive.

Consequently no key information document required by the Regulation (EU) No 1286/2014 (the Packaged Retail and Insurance-based Investment Products Regulation, the “*PRIIPs Regulation*”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPS Regulation.

Copies of Final Terms will be available from the registered office of each of the Issuers and from the specified office set out below of each of the Paying Agents (as defined below) and, in the case of Notes listed on a regulated market for the purposes of MIFID, on RSG’s website.

This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “*Documents Incorporated by Reference*” below). This Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Prospectus, save that any statement contained in any document incorporated by reference shall be deemed to be modified or superseded for the purpose of this Prospectus by a statement modifying or superseding such statement made by way of a supplement to the Prospectus prepared pursuant to Article 16 of the Prospectus Directive.

None of the Dealers, Deutsche Trustee Company Limited (the “*Trustee*”), the Agent (as defined below), the Paying Agents and ABN AMRO Bank N.V. in its capacity as listing agent (the “*Listing Agent*”) has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers, the Trustee, the Agent, the Paying Agents or the Listing Agent as to the accuracy or completeness of the information contained or incorporated by reference in this Prospectus or any other information provided by RSG and/or Schiphol Nederland in connection with the Programme.

No person is or has been authorised by RSG, Schiphol Nederland, the Dealers, the Trustee, the Agent, the Paying Agents or the Listing Agent to give any information or to make any representation not contained in or not consistent with this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by RSG, Schiphol Nederland, any of the Dealers, the Trustee, the Agent, the Paying Agents or the Listing Agent.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by RSG, Schiphol Nederland, any of the Dealers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the

Programme or any Notes should purchase any Notes. 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 relevant Issuer and the relevant Guarantor and should determine for itself the relevance of the information contained in this Prospectus, and its purchase of the Notes should be based upon such investigation as it deems necessary. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of RSG, Schiphol Nederland, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning RSG and/or Schiphol Nederland is correct at any time subsequent to the date hereof or the date upon which this Prospectus has been most recently amended and/or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of RSG and/or Schiphol Nederland since the date thereof or, if later, the date upon which this Prospectus has been most recently amended and/or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of RSG or Schiphol Nederland during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the financial statements incorporated herein by reference when deciding whether or not to purchase any Notes (see “*Documents Incorporated by Reference*” below).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the “*Securities Act*”) and 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, or for the account or benefit of, U.S. persons (see “*Subscription and Sale*” below).

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of RSG, Schiphol Nederland, the Dealers and the Trustee represents that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by RSG, Schiphol Nederland, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the Netherlands, the United States, the European Economic Area, the United Kingdom, Japan and the Republic of France (see “*Subscription and Sale*” below).

All references in this document to “U.S.\$” and “*U.S. dollars*” are to the lawful currency of the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia (the “U.S.” and the “United States”), to “*Yen*” are to the lawful currency of Japan, to “*Sterling*” and “£” are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland, to “*Australian dollars*” are to the lawful currency of the Commonwealth of Australia and to “*euro*”, “*EUR*” and “€” are to the currency introduced at the start of the third stage of European economic and monetary union as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro.

All references in this document to websites or uniform resource locators (“*URLs*”) are inactive textual references and are included for information purposes only. The contents of any such website or URL

shall not form part of, or be deemed to be incorporated into, this Prospectus.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot or effect transactions with a view to supporting the market price of the Notes of the Series of which such Tranche forms part at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and regulations.

Stabilisation transactions conducted on Euronext Amsterdam must be conducted by a Member of Euronext Amsterdam on behalf of the initial purchasers.

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## **RISK FACTORS**

*Each of RSG and Schiphol Nederland believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and neither RSG nor Schiphol Nederland is in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each of RSG and Schiphol Nederland believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of RSG and Schiphol Nederland to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by RSG and Schiphol Nederland based on information currently available to them or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

**Factors that may affect the relevant Issuer's ability to fulfil its obligations under Notes issued under the Programme and the relevant Guarantor's ability to fulfil its obligations under the relevant Guarantee**

### ***Dependence on the number and type of aircraft and passengers***

A key factor affecting the financial performance and business prospects of RSG and its Dutch Subsidiaries (the “*Royal Schiphol Group*”) is the number and type of passengers and aircrafts using their airports and the level of demand for air travel, which affect the level of income generated by each of Royal Schiphol Group's business areas. Such numbers, type and level of demand vary depending on several factors, many of which are beyond Royal Schiphol Group's control, including domestic and global macroeconomic developments (such as the still vulnerable European economy and the United Kingdom exit from the EU), demographic developments, socio-economic developments such as increasing nationalism, protectionism and populism, the presence of the Islamic State in Syria and Iraq, the European migrant crisis, and increased global terrorism threat, developments in the airline industry (such as more point-to-point flights decreasing the importance of transfer hubs), accidents with aircrafts, fluctuations in oil prices, taxation and emission regulation, decisions by airlines as to the size of aircraft used on certain routes and the destinations to be served from Amsterdam Airport Schiphol, and competition from other airports and modes of transportation.

As a high proportion of air travel to and from Amsterdam Airport Schiphol is international, Royal Schiphol Group's business at the airport is sensitive to economic developments beyond the Netherlands, and currency exchange rates between the euro and other currencies.

Adverse developments in one or more of the factors mentioned above could have a negative effect on the development of the number and type of passengers and aircraft using the Royal Schiphol Group airports, the amounts passengers spend and Royal Schiphol Group's business, results of operations, prospects and financial condition.

There can be no assurance that future growth in passenger numbers and aircraft movements at the Royal Schiphol Group airports will be at levels comparable to those achieved in the past. In addition, future growth in passenger numbers may result in Amsterdam Airport Schiphol or other Royal Schiphol Group airports facing capacity constraints.

### ***Dependence on the real estate market***

A significant share of Royal Schiphol Group's business comprises commercial real estate and land positions. Adverse economic developments could have a negative effect on the real estate business and land positions. Furthermore, Royal Schiphol Group values the commercial properties in its real estate portfolio and its land positions on a semi-annual basis. The valuation of Royal Schiphol Group's

commercial property portfolio and land positions is based on its market value and is subject to local (real estate) market conditions, including amongst others demand for commercial property space, movements in interest rates and inflation. Changes in market conditions, in particular in the Netherlands and Italy, could affect the future value of Royal Schiphol Group's property portfolio and land positions and the revaluation results which are accounted for in the profit and loss account. Such changes in value in any given year can have a disproportionate positive or negative effect on the results of operations of Royal Schiphol Group.

### ***Dependence on Amsterdam Airport Schiphol location***

Amsterdam Airport Schiphol is the main asset of Royal Schiphol Group and the focal point for Royal Schiphol Group's Aviation, Consumer Products & Services and Real Estate business areas. Nearly all of Amsterdam Airport Schiphol's business operations are located in a relatively small geographic area near Amsterdam. If Amsterdam Airport Schiphol was subject to a flood, fire or other natural disaster, terrorist attack, an accident involving an aircraft or infrastructure failure, a power loss or other event, the airport's operations and revenues could be materially and adversely affected, which would in turn have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Dependence on Air France – KLM***

Air France – KLM, including its alliance partners, plays a key role at Amsterdam Airport Schiphol, which serves as one of the two hubs together with Paris – Charles de Gaulle Airport. It is expected that Air France – KLM will continue to account for a substantial portion of Royal Schiphol Group's operating income and Amsterdam Airport Schiphol's passenger and cargo traffic and air transport movements for the foreseeable future. In particular, the number of transfer passengers is highly dependent on Air France – KLM.

As a result of the above, Air France – KLM has a significant influence on Royal Schiphol Group's aviation and commercial activities. A decision by Air France – KLM to restructure its route network or otherwise place less emphasis on Amsterdam Airport Schiphol, a shift in business strategy by Air France – KLM, a material deterioration of the financial position of Air France – KLM, or strikes by Air France – KLM personnel could adversely affect passenger and cargo throughput and the number of air transport movements at Amsterdam Airport Schiphol, as well as the number of destinations served by the airport.

Commercial or operational differences of opinion may have an adverse impact on the relationship with Air France – KLM.

Finally, the close cooperation between Royal Schiphol Group and KLM has triggered an investigation by the Dutch Authority for Consumers & Markets (*Autoriteit Consument & Markt*, or "ACM"). The ACM is investigating whether the close cooperation between Royal Schiphol Group and KLM has affected the position of other airline operators in a way that is contrary to competition law rules. The investigation is still ongoing and the outcome is not yet known. In the case of a finding of an infringement, the ACM has the power to impose a fine. The legal maximum of a fine imposed by the ACM is 10% of the annual turnover.

### ***Air traffic control***

According to the International Air Transport Association ("IATA"), international scheduled passenger traffic in Europe is expected to continue to rise. To address this issue, Eurocontrol (the European air traffic control organisation of which Air Traffic Control The Netherlands (*Luchtverkeersleiding Nederland*, "LVNL") is a member) has initiated numerous programmes to increase flight capacity through new technology and practices and through measures to harmonise European airspace (Single European Sky Programme and Airport Collaborative Decision Making Programme). Without efficient increases in flight capacity over Europe, the business operations of most European airlines and airports could be adversely affected by delays and sub-optimal flight paths. This in turn will directly affect the scheduling and capacity that can be delivered, and the ability to maintain or increase passenger and cargo traffic, at the

Royal Schiphol Group airports.

### ***Competition***

Competition among airports is increasing. Amsterdam Airport Schiphol faces competition for origin/destination passengers from other airports in its catchment area, and for transfer passengers and cargo from a number of European airports, as well as from (fast growing) airports in other countries and regions such as Turkey and the Middle East. In the case of short-haul travel, it also faces competition from other modes of transport.

Retail operators at Amsterdam Airport Schiphol are facing competition from online retailers, requiring them to adapt to sometimes rapidly changing purchasing behaviour displayed by consumers to prevent retail business opportunities from being missed. Amsterdam Airport Schiphol's parking activities also face increased competition from local car parking offerings in the vicinity.

In the competitive environment in which Amsterdam Airport Schiphol operates, there can be no assurance that it will be able to maintain or increase its competitive position.

### ***Third parties***

The operation of the Royal Schiphol Group airports is largely dependent on the services of third parties, such as air traffic control authorities, airlines, ground handling companies and transport providers, and on public bodies such as customs and immigration authorities and airport police. Royal Schiphol Group members are not responsible for, and can only exercise limited control over, the services provided by these parties.

Any disruption in the operations of these parties or adverse consequence resulting from their activities may have a material adverse effect on the accessibility and operation of the Royal Schiphol Group airports and on Royal Schiphol Group's business, results of operations, prospects and financial condition.

Since November 2015, a new five star hotel with 433 rooms and extensive meeting facilities is operational at Amsterdam Airport Schiphol. The hotel is operated by Hilton for the risk and account of Royal Schiphol Group. Any potential losses incurred by the hotel may have a material adverse impact on the revenues and results of operations of Royal Schiphol Group.

### ***Regulatory framework***

The Royal Schiphol Group airports, in particular Amsterdam Airport Schiphol, are regulated in a number of areas, including noise and capacity, airport charges, the environment, aviation operations, safety and security. These regulations, in particular those relating to noise, limit Royal Schiphol Group's flexibility in operating its business. Royal Schiphol Group's freedom to operate its business is therefore subject to a number of factors beyond its control that may restrict its operations.

#### ***Regulation of airport charges***

The activities of the Amsterdam Airport Schiphol are subject to charges and/or contributions pursuant to regulation on the basis of the Aviation Act (*Wet luchtvaart*). The regulations include a "dual till" model in which "aviation" activities, which are regulated, are separated from "non-aviation" activities, which are not regulated. Under the Aviation Act, the return on "aviation" activities is capped on the basis of an allocation system that takes into account assets, costs and revenues of the airport to the extent they are related to "aviation" activities, and Amsterdam Airport Schiphol's weighted average cost of capital ("WACC") for "aviation" activities, the parameters for which have been set in the regulatory framework. Security charges are dealt with as a separate box within the "aviation" activities. The current allocation system that describes the allocation of assets was approved by the ACM.

In June 2016, an amendment to the Aviation Act was approved by Parliament. At the end of December 2016, a draft Operation Decree, which further details the regulatory framework, was sent to the Council of State for advice. The new regulatory framework is expected to come into force on July 1, 2017. If this is the case, the airport charges at Amsterdam Airport Schiphol will be subject to this new framework



from 2019 onwards.

The amendments include, but are not limited to, changing the voluntary contribution on “non-aviation” activities to a mandatory contribution and other changes to the pricing regulation systems. For a further description of the allocation system and the amendments see “*Description of Schiphol Nederland – Recent Developments and Key Issues – Evaluation of the Aviation Act and airport charges*”.

There can be no assurance that the WACC under the regulatory framework properly reflects the actual funding costs of Royal Schiphol Group and if the actual funding costs are higher this will have a negative impact on the results of operations of the Royal Schiphol Group. Furthermore, the risk cannot be excluded that the current or future price regulation systems applicable to Royal Schiphol Group will be amended in a manner unfavourable to Royal Schiphol Group, which may have a negative impact on the results of operations of the Royal Schiphol Group.

#### *Environmental regulation*

Operations at Amsterdam Airport Schiphol and other Royal Schiphol Group airports are restricted by environmental noise limits which, among other things, currently result in limitations on the maximum number of air transport movements permitted at the airport each year (including a separate maximum number for night movements). Royal Schiphol Group’s ability to comply with applicable noise limits is affected by traffic demand and other factors, such as weather conditions, aircraft types and actions by air traffic control authorities that are beyond Royal Schiphol Group’s control. In the event of a breach of the noise limits, the Minister of Infrastructure and the Environment has discretionary authority to impose sanctions, and the power to limit the use of, or close, one or more runways or the airport itself.

Environmental noise limits at Amsterdam Airport Schiphol restrict the ability of Royal Schiphol Group to maintain or increase passenger and cargo traffic growth rates. Royal Schiphol Group is currently party to an agreement under which Amsterdam Airport Schiphol will have limited room for growth until 2020, with the maximum traffic volume being 500,000 air transport movements a year. In 2017, Royal Schiphol Group plans to negotiate a new agreement with respect to the room for growth after 2020. The outcome of such negotiations is unclear.

Operations at Amsterdam Airport Schiphol generate waste, effluent and emissions into the atmosphere. In addition to noise limits, Royal Schiphol Group and the airlines using the Royal Schiphol Group airports are subject to a range of environmental legislation and regulations relating to human health, safety and the protection of the environment, including regulations on air quality, malodour from airport operations and public health and safety.

Environmental claims or the failure to comply with present or future legislation or regulations could subject Royal Schiphol Group to liabilities in the future, including the assessment of damages, liability to pay penalties, costs associated with the clean-up of hazardous substances, and orders to cease or modify certain construction projects. In addition, in the case of breaches of regulation relating to third party risk, malodour and air quality, possible sanctions include temporary closure of runways or the whole airport.

#### *Security regulation*

Operations at Amsterdam Airport Schiphol and other Royal Schiphol Group airports are subject to security regulation. Airport security is aimed at preventing malicious acts intended to harm passengers, employees, visitors and the airport itself. New or adjusted security regulations may restrict the ability of Royal Schiphol Group to maintain or increase traffic growth rates and its business results of operations, prospects and financial condition. Failure to carry out its security activities in accordance with the applicable rules and regulations could lead to incidents or accidents causing harm to passengers, employees, visitors or airport property, which could result in legal liability for Royal Schiphol Group, the assessment of damages and liability to pay penalties.

#### *Real estate development regulations*

Real estate development is subject to regulations on national town and country planning. It is possible that existing or new national town and country planning policies will limit Royal Schiphol Group's ability to develop planned and future commercial real estate projects at or around Amsterdam Airport Schiphol or other Royal Schiphol Group airports by, for example, limiting the type, use, location and height of buildings. These restrictions may accordingly have a material adverse impact on the revenues and result of operations generated in Royal Schiphol Group's real estate business area.

#### *Retail regulations*

Aspects of airport retail operations are subject to general licensing requirements, age limits on the purchase of certain goods such as liquor and tobacco, and the use of services such as gambling, although they are not subject to economic regulations under the dual till structure. In addition, the prevailing tax regime has a significant impact on certain retail sales at the airport. Retail sales to passengers flying to countries within the European Union ("EU") are subject to Value Added Tax (*omzetbelasting* or "VAT") raising the effective cost of making purchases at "duty free" shops located at the airport whereas retail sales to passengers with a destination outside the European Union are exempt from VAT. Current pricing policies of Royal Schiphol Group's retail business may effectively result in non-duty free retail prices to be at the same level as duty-free prices for certain retail categories offered to non-duty free customers.

It is also possible that new regulations will restrict revenues and operations in the future. New rules and regulations, such as restrictions on sale and advertising of alcohol and tobacco products and restrictions on smoking in public places, designed to discourage the use of alcohol and tobacco products, could have a material adverse effect on Royal Schiphol Group's retail business. Security measures, for example, the one bag rule, could have a material negative impact on Royal Schiphol Group's retail business. A change in European or domestic VAT regulations or the accession of new states to the European Union requiring them to adhere to European VAT regulations, could also negatively affect sales at Amsterdam Airport Schiphol, with a potential material adverse effect on Royal Schiphol Group's retail business revenues and results of operations.

If the Dutch Government decides to increase the VAT and Royal Schiphol Group retains its pricing policy, the net result will be adversely affected.

#### *Regulatory environment is subject to change*

Royal Schiphol Group is subject to Dutch, European Union and international regulation covering many of its activities. Changes in, or adverse applications of, such regulations could have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

#### ***RSG's operating permit for Amsterdam Airport Schiphol***

Under the Aviation Act, RSG has been designated as the operator of Amsterdam Airport Schiphol for an indefinite period of time. This licence may be revoked by the Ministry of Infrastructure and the Environment in a limited number of circumstances: (i) mismanagement such that the continuity of Amsterdam Airport Schiphol would be endangered, (ii) national planning policy no longer envisaging an airport at the present location of Amsterdam Airport Schiphol and (iii) a request for revocation of the permit by RSG itself (provided such request is not against the public interest). The revocation of the operating permit for any such reason would mean that RSG would not be able to conduct its aviation business. Although RSG would be entitled to compensation for certain damages if the State of the Netherlands (the "State") were to revoke the permit because of a change in national planning policy, RSG would not be entitled to any damages in the event that its permit to operate Amsterdam Airport Schiphol were revoked on the ground of mismanagement. Accordingly, the revocation of the permit to operate Amsterdam Airport Schiphol would have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

#### ***Domestic, regional and local political developments***

Royal Schiphol Group's business operations, capital structure and profitability are, to a large

extent, directly and indirectly, dependent on political decisions by the national government and by regional and local administrations over which Royal Schiphol Group has no control. Political developments have the ability to materially impact Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Royal Schiphol Group's strategy of international activities***

Royal Schiphol Group has made airport-related investments in Australia, France, Hong Kong, Italy and the United States. The main international activities of Royal Schiphol Group are focused on strengthening the competitive position of Amsterdam Airport Schiphol.

Priorities are the partnership with Groupe ADP, the participation in Brisbane Airport Corporation and terminal management activities at JFK Airport in New York.

There can be no assurance that Royal Schiphol Group will be able to implement its strategy for international activities as such implementation, among others, depends on the cooperation of third parties. International activities may expose Royal Schiphol Group to a number of risks, including legal, political, accounting, financial, and economic risks in countries in which it might invest, and potential disruption to its ongoing operations if its management is required to expend significant time and effort in supporting its international interests. International activities could therefore have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Accidents, operational risks and business interruption risks***

Royal Schiphol Group's operations are subject to operational risks, such as fires, flooding, wind, extreme winter weather, bird strikes, interruptions to power supplies, technical failures and explosions. Each Royal Schiphol Group airport is also subject to business interruption risks as a result of the closure of air space or grounding of aircraft by local and international authorities. Some of these risks and hazards could result in damage or harm to, or destruction of, infrastructure, properties, people and the environment. Any or all of these hazards, as well as possible legal liability of a Royal Schiphol Group member arising thereof, could have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition. There is also the risk that a governmental inquiry may be held into the causes of an accident which may result in Royal Schiphol Group being required to modify its operations, incurring investments and/or expenses that could be significant. Although Royal Schiphol Group has taken out insurance against property damage, business interruption and third party liability, such insurance may not fully cover the consequences of all damage, business interruptions and other liabilities.

### ***Unplanned repairs and maintenance***

Royal Schiphol Group needs to carry out regular maintenance at its airports, of, amongst others, terminals, taxiways and runways. Taxiways and runways are typically shut down during periods of extensive maintenance and as a consequence this affects the allocation of air traffic movements. Due to operational hazards and the ageing terminal complex, unplanned repairs and maintenance might be required and could therefore have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Other operational risks***

Royal Schiphol Group's operations are highly dependent on information and information systems and therefore subject to the risk of sensitive information being leaked or provided unintentionally (to the competition), unauthorised access to data, virus infection of information systems and the loss of information. This may have a material adverse effect on Royal Schiphol Group's business and reputation, competitive position, results of operations, prospects and financial condition. If Royal Schiphol Group is required to modify its operations it may incur investments and/or expenses that could be significant.

### ***Royal Schiphol Group's cost structure***

A significant portion of the costs incurred by Royal Schiphol Group is relatively fixed and

not directly linked to the level of traffic or revenues. Operating expenses relating to employees, maintenance, cleaning and depreciation/amortisation do not fluctuate significantly with traffic or revenues. As a result, Royal Schiphol Group has limited flexibility in the short to medium term in dealing with any unforeseen shortfall in revenues, which could therefore have a material adverse effect on its results of operations.

### ***Key management***

Royal Schiphol Group relies on the skills and experience of certain key personnel including the members of RSG's Management Board, the management teams of Royal Schiphol Group's Aviation, Consumer Products & Services and Real Estate business areas and other personnel of Royal Schiphol Group and its participations. The loss of services of any of these key individuals could have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Labour relations***

Although Royal Schiphol Group enjoys good relations with its employees and work councils, it may experience strikes or other significant work stoppages in the future which could have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition. Strikes or other significant work stoppages of third parties on which Royal Schiphol Group's airport operations depend could also have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Damage to reputation or image***

Negative perception or negative and/or inaccurate publicity may undermine public acceptance of, and stakeholder support for, the airport activities. Insufficient appeal and a negative perception of the price/quality ratio of the goods and services on offer at Amsterdam Airport Schiphol may also affect Royal Schiphol Group's image. Both could have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Investment risk***

Royal Schiphol Group will make significant budgeted capital expenditure over the next years. The majority of budgeted capital expenditure to be incurred by Royal Schiphol Group within the next years is related to the development of the so-called Area A at Amsterdam Airport Schiphol, which includes the construction of a new terminal and pier. Further improvement of the current terminals, piers, parking garages and other infrastructure at the airport and the development of real estate are foreseen.

In addition, Royal Schiphol Group will make investments for the commercial development of Lelystad Airport, including an extension of the runway and the construction of a terminal. See "*Description of Schiphol Nederland – Recent Developments and Key Issues – Capital investment programme and Master Plan*" for further information on the development of Schiphol and Lelystad Airport.

Adverse applications of existing regulations, the introduction of new regulations or the consequences thereof, delays in completion of projects, rapid changes in growth of passenger numbers or aircraft movements, reconfiguration plans, technological developments (for example, larger aircraft or new safety equipment) or acquisitions or future international alliances or participations entered into by Royal Schiphol Group (which are not included in Royal Schiphol Group's budgeted capital expenditure figures) may render the original assumptions obsolete and may significantly increase the amount of capital expenditure required from the level currently envisaged.

Completion risks and unexpected risks (such as safety issues, delay in construction or difficulty in obtaining requisite permits/licences) can cause budget overruns and may lead to an unprofitable investment. Such risks may have a material adverse effect on Royal Schiphol Group's operations, results and financial position.

### ***(Re-)Financing risk***

Royal Schiphol Group faces substantial financing needs in the coming years to fund its capital investment programmes as well as refinancings. As per December 31, 2016, Royal Schiphol Group needs to refinance approximately EUR 714 million up to and including 2021. In addition, Royal Schiphol Group needs to attract substantial financing to fund the envisaged capital expenditures for the coming years, in particular in connection with the development of a new pier and terminal at Amsterdam Schiphol Airport. The envisaged capital expenditures and ensuing (re-)financing needs of Royal Schiphol Group will require that it seeks external financing, either in the form of public or private financing or other arrangements, which may not be available at acceptable terms or may not be available at all.

Volatility and temporary closing of capital markets and lack of, or limited access to, (public or private) finance may hinder Royal Schiphol Group in securing timely financing of major capital investment programmes and/or refinancing existing debt on attractive terms.

Any such lack of, or limitations to, the access of Royal Schiphol Group to the capital markets or (public or private) finance could limit Royal Schiphol Group's liquidity, its financial flexibility, its ability to fulfil its obligations with respect to payments of interest and principal and/or its cash flows and affect its ability to execute its strategic plans, which could have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Interest rate risk***

As per December 31, 2016, Royal Schiphol Group is fully financed on a fixed-rate basis. Royal Schiphol Group's policy is to have between 50 per cent. and 100 per cent. of its consolidated debt portfolio financed on a fixed-rate basis or hedged through the use of interest rate swaps. If Royal Schiphol Group chooses to issue debt on a floating rate basis, Royal Schiphol Group will be exposed to fluctuations in interest rates. In addition, interest rates on future debt issuances as a result of Royal Schiphol Group's large financing needs are yet uncertain. Increasing interest rates will result in higher interest costs and may negatively impact the profitability of Royal Schiphol Group. Adverse fluctuations and increases in interest rates, to the extent that they are not hedged, could have a material adverse effect on Royal Schiphol Group's business, results of operations, prospects and financial condition.

### ***Credit rating***

There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. A decision by a rating agency to downgrade or withdraw RSG's or Schiphol Nederland's credit rating (for whatever reason) could reduce Royal Schiphol Group's funding options, increase its borrowing costs and adversely affect its results of operations.

### ***Risks related to financial instruments***

In accordance with its internal financial policy, Royal Schiphol Group only uses derivative financial instruments to hedge interest rate risk, hedge energy/gas contracts and to hedge cross-currency exposure and therefore to actively reduce financial risks. Nevertheless, the use of derivative financial instruments could lead to a liquidity risk for Royal Schiphol Group. A derivative financial instrument could exhibit a negative market value during its lifetime and in these circumstances, Royal Schiphol Group could be obliged to post cash collateral which will negatively affect its liquidity position. Royal Schiphol Group currently has one long-term derivative that is subject to a cash collateral agreement, a EUR/JPY cross-currency swap. In addition, Royal Schiphol Group from time to time purchases electricity and gas for its own use on long-term contracts and can be obliged to post collateral related to these contracts.

### ***Currency risk***

Royal Schiphol Group operates internationally and faces currency risks on several currency positions, in particular in Yen (borrowings), U.S. dollars and Australian dollars (net investments in activities outside the euro zone).

### ***Terrorism or accident***

In common with other airports, and in addition to the general terrorism risk described under “*Dependence on the number and type of aircraft and passengers*” above, there is the risk of an accident or act of terrorism occurring at or near Amsterdam Airport Schiphol, or one of the other Royal Schiphol Group airports or activities. If an accident or act of terrorism occurs, operations at the airport may be disrupted for a period of time while the accident or act of terrorism is investigated and any ensuing damage is repaired. The event could affect traffic levels for a longer period as well. In addition, there is a risk that one or more parties who have suffered loss as a result of an accident seek compensation from Royal Schiphol Group, and that a governmental enquiry is held into the causes of the accident. Royal Schiphol Group may be required to incur costs and spend management time defending such a claim or participating in such an enquiry. If a claim was successful, Royal Schiphol Group could be ordered to pay significant sums of money to claimants to compensate them for losses they have suffered. A governmental enquiry may result in Royal Schiphol Group being required to modify its operations and to incur expense in doing so. New legislation may result in Royal Schiphol Group being required to take additional safety measures which may require significant investments.

An accident or act of terrorism at or near Amsterdam Airport Schiphol, or one of the other Royal Schiphol Group airports or activities, could therefore have a material adverse effect on Royal Schiphol Group’s business, results of operations, prospects and financial condition.

### ***Cyber-crime risk and information security***

Royal Schiphol Group’s operations are dependent on its own information technology systems and those of its third party service providers. Royal Schiphol Group could be negatively impacted by cyber-attacks on any of these. The risk of cyber-crime increases, especially as infiltrating technology is becoming increasingly sophisticated, and there can be no assurance that Royal Schiphol Group will be able to prevent all threats. This could result in material losses of client or customer information, damage Royal Schiphol Group’s reputation and lead to regulatory penalties and financial losses.

### ***Control of RSG mainly by public entities***

The current shareholders of RSG are the State, the City of Amsterdam, the City of Rotterdam and Groupe ADP. These entities have certain controls over RSG including the ability to pass or to prevent the passing of matters submitted for resolutions by the shareholders, which in turn includes the adoption of annual financial statements, and the declaration of dividends, capital increases and other transactions. The foregoing would not change if the shareholders were to sell a minority interest in RSG. In addition, the State continues to hold a minority interest in the share capital of KLM. There is therefore a potential conflict of interest between the State’s interests in KLM and RSG. Also, the State, through its role as shareholder, policymaker and legislator, has a strong influence on RSG’s operations, which, depending on the circumstances, may positively or negatively influence RSG’s business, results of operation, prospects and financial condition.

### ***Insurance coverage***

Royal Schiphol Group seeks to insure all reasonable risks, including the risk arising from business interruption. There can be no assurance, however, that its insurance policies provide adequate and sufficient cover for all events and incidents affecting Royal Schiphol Group. An event or incident could therefore have a material adverse effect on Royal Schiphol Group’s business, results of operations, prospects and financial condition. In addition, the insurance policies of Royal Schiphol Group do not protect Royal Schiphol Group against reputational harm that may arise as a result of an event or an incident. The market for airport insurance is limited, as a result of which Royal Schiphol Group may have difficulties obtaining insurance coverage in the future. Any extension or replacement of existing insurance policies may be for reduced coverage only, at less favourable terms, or against higher premiums.

### ***Pension liabilities***

Royal Schiphol Group’s pension plan is administered by the Algemeen Burgerlijk Pensioenfonds (“ABP”), the pension fund for employers and employees in service of the Dutch government and educational services in the Netherlands. The pension plan is regarded as a group scheme involving more

than one employer that qualifies as a defined-contribution plan because:

- the members bear the actuarial and investment risks practically in full;
- the affiliated employers have no supplementary obligation to make additional contributions in the event of a deficit at the ABP, nor are they entitled to any surpluses in addition to paying the premium set by the ABP; and
- each year the premium is set by the ABP board on the basis of its own file date, with due regard for the prescribed parameters and requirements.

Accordingly, in measuring the obligations arising from the pension plan, Royal Schiphol Group merely recognises the pension contributions payable as an expense in its consolidated income statement. In addition to Royal Schiphol Group's pension plans mentioned above, one of RSG's Subsidiaries applies a non-material defined-benefit plan, with actuarial results and remeasurements being recognized directly through other comprehensive income.

The ABP pension regulations do not contain provisions on additional contributions to the fund and/or withdrawals from it in respect of Royal Schiphol Group's share in surpluses or deficits of the pension fund. Consequently, any surpluses and deficits will depend on the actual and expected financial position of the pension fund as reflected in the funding ratio and could result in changes to the level of contributions payable by Royal Schiphol Group in the future.

### ***Legal proceedings, fines and investigations***

Royal Schiphol Group is involved in a limited number of legal proceedings, the most important of which are described under "*Description of RSG – Description of Schiphol – Nederland – Recent Developments and Key Issues*".

In addition, Royal Schiphol Group is involved in an investigation by the ACM as described under "*Dependence on Air France – KLM*".

Competition authorities exercise considerable discretion in setting the levels of fines for non-compliance with competition laws and regulations. Given the position of Royal Schiphol Group in certain markets, any failure to comply with applicable competition laws and regulations may result in Royal Schiphol Group incurring substantial fines and settlement costs.

Any unfavourable developments in these and/or other proceedings, the investigation and the levels of any resulting fines could have a material adverse effect on Royal Schiphol Group's business, results of operations and financial condition.

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

#### ***The Notes may not be a suitable investment for all investors***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial, legal and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential

- investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and
  - (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

### ***Risks related to the structure of a particular issue of Notes***

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

*If the relevant Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*

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

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

*If the relevant Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this will affect the secondary market and the market value of the Notes concerned*

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

*Investors will not be able to calculate in advance their rate of return on Floating Rate Notes and may be exposed to the reinvestment risk if market interest rates decline*

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having fixed interest periods. If the Terms and Conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

*Notes which are issued at a substantial discount or premium may experience price volatility in response to general changes in interest rates*

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than



do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

### ***Risks related to Notes generally***

*The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders (as defined in "Terms and Conditions of the Notes") and without regard to the individual interests of particular Noteholders*

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes, or (ii) determine that any Event of Default or potential Event of Default shall not be treated as such, or (iii) agree to the substitution of another company as principal debtor under any Notes in place of the relevant Issuer in the circumstances described in Condition 17 of the Terms and Conditions of the Notes.

### ***Withholding taxes***

The Notes may be subject to withholding taxes in certain limited circumstances where the relevant Issuer is not obliged to make gross up payments and this would result in holders receiving less interest than expected and could significantly adversely affect their return on the Notes.

*The value of the Notes could be adversely affected by a change in English law or administrative practice*

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes and any such change could materially adversely impact the value of any Notes affected by it.

*Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a nominal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a nominal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

*The recognition of Notes in New Global Note form as eligible collateral for the monetary policy of the Eurosystem will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time*

The new global note (“NGN”) form has been introduced to allow for the possibility of debt instruments being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the “Eurosystem”) and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Investors should make their own assessment as to whether the Notes meet such Eurosystem eligibility criteria.

### ***Risks related to the market generally***

*An active secondary market in respect of the Notes may never be established or it may be illiquid and this would adversely affect the value at which an investor could sell his Notes*

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

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

The relevant Issuer will pay principal and interest on the Notes and the relevant Guarantor will make any payments under the Guarantee in the Specified Currency (as specified in the applicable Final Terms in relation to the relevant Notes, described under “Form of the Notes”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “Investor’s Currency”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (1) the Investor’s Currency-equivalent yield on the Notes, (2) the Investor’s Currency-equivalent value of the principal payable on the Notes and (3) the Investor’s Currency-equivalent market value of the Notes.

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

*The value of Fixed Rate Notes may be adversely affected by movements in market interest rates*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

*The value of future payments of interest and principal may be reduced as a result of inflation*

The value of future payments of interest and principal may be reduced as a result of inflation as the real rate of interest on an investment in the Notes will be reduced at rising inflation rates and may be negative if the inflation rate rises above the nominal rate of interest on the Notes.

*Credit ratings assigned to the Issuers or any Notes may not reflect all the risks associated with an*

*investment in those Notes*

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

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (“ESMA”) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the front cover of this Prospectus and, in respect of any issue of Notes, will be disclosed in the Final Terms.

*Legal investment considerations may restrict certain investments*

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

## **RESPONSIBILITY STATEMENT**

Each of RSG and Schiphol Nederland accepts responsibility for the information contained in this Prospectus and to the best of the knowledge and belief of each of RSG and Schiphol Nederland (each having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

## DOCUMENTS INCORPORATED BY REFERENCE

The information on the pages specified below of the following documents which have previously been published and have been filed with the Competent Authority is incorporated by reference in this Prospectus and, as such, forms part of this Prospectus:

- (a) RSG Annual Report 2016 (English version), pages 135 to 213 (inclusive), containing the audited consolidated financial statements and company financial statements of RSG (including the notes thereto and the auditor's report thereon on pages 208 to 213 (inclusive)) in respect of the financial year ended December 31, 2016;
- (b) RSG Annual Report 2015 (English version), pages 134 to 212 (inclusive), containing the audited consolidated financial statements and company financial statements of RSG (including the notes thereto and the auditor's report thereon on pages 208 to 212 (inclusive)) in respect of the financial year ended December 31, 2015; and
- (c) the section "Terms and Conditions of the Notes" from the Prospectus dated May 3, 2016, pages 39 to 66 (inclusive), prepared by RSG and Schiphol Nederland in connection with the Programme.

Those parts of the Annual Reports referred to above which are not incorporated by reference are, to the extent that such information is relevant for the investors, covered elsewhere in this Prospectus.

Following the publication of this Prospectus, a supplement may be prepared by the Issuers and approved by the Competent Authority in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference in any such supplement) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus.

The Annual Reports of RSG referred to in (a) and (b) above, from which the above information is incorporated by reference in this Prospectus, is available for viewing on RSG's website, [www.schiphol.nl](http://www.schiphol.nl), or directly on [www.annualreportschiphol.com](http://www.annualreportschiphol.com).

The Terms and Conditions referred to in (c) above are available for viewing at <https://www.schiphol.nl/nl/schiphol-group/pagina/emtn-programma/>. Copies of documents incorporated by reference in this Prospectus will also be available, free of charge, at the registered office of each of the Issuers and at the offices of each of the Paying Agents as specified under "*General Information – Documents Available*" below.

RSG and Schiphol Nederland will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new individual (drawdown or base) Prospectus for use in connection with any subsequent issue of Notes.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, each Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the relevant Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as completed by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under “*Form of the Notes*” below.

This Prospectus and any supplement will only be valid for listing Notes on Euronext Amsterdam and/or any other stock exchange or market in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed €3,000,000,000 or its equivalent in other currencies. For the purpose of calculating the euro equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms in relation to the relevant Notes, described under “*Form of the Notes*”) shall be determined, at the discretion of the relevant Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the relevant Issuer on the relevant day of calculation; and
- (b) the euro equivalent of Zero Coupon Notes (as specified in the applicable Final Terms in relation to the relevant Notes, described under “*Form of the Notes*”) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the relevant Issuer for the relevant issue.

This Prospectus contains statements which constitute forward-looking statements. All statements other than statements of historical fact included in this Prospectus, including, without limitation, those regarding RSG’s or Schiphol Nederland’s financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of RSG or Schiphol Nederland, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding RSG’s or Schiphol Nederland’s present and future business strategies and the environment in which RSG or Schiphol Nederland will operate in the future. These forward-looking statements speak only as of the date of this Prospectus or as of such earlier date at which such statements are expressed to be given. Subject to any continuing disclosure obligation under applicable law (including, without limitation, the obligation to prepare a supplement to this Prospectus pursuant to Article 16 of the Prospectus Directive), RSG and Schiphol Nederland expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in RSG’s or Schiphol Nederland’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, take into account any further disclosures of a forward-looking nature RSG or Schiphol Nederland may make in future publications.

## OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this document and, in relation to the Terms and Conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” below shall have the same meanings in this overview.

<b>Issuers:</b>	Royal Schiphol Group N.V. Schiphol Nederland B.V.
<b>Guarantor of Notes issued by N.V. Luchthaven Schiphol:</b>	Schiphol Nederland B.V.
<b>Guarantor of Notes issued by Schiphol Nederland B.V.:</b>	Royal Schiphol Group N.V.
<b>Description:</b>	Euro Medium Term Note Programme
<b>Arranger:</b>	ING Bank N.V.
<b>Dealers:</b>	ABN AMRO Bank N.V.  BNP Paribas  Coöperatieve Rabobank U.A.  ING Bank N.V.  J.P. Morgan Securities plc  The Royal Bank of Scotland plc (trading as NatWest Markets)  and any other Dealers appointed in accordance with the Programme Agreement (as defined in “ <i>Subscription and Sale</i> ”).
<b>Certain Restrictions:</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale</i> ” below) including the following restrictions applicable at the date of this Prospectus.  <b>Notes having a maturity of less than one year</b>  Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in Section 19 of the Financial Services and Markets Act 2000 (the “ <i>FSMA</i> ”) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent. See “ <i>Subscription and Sale</i> ”.
<b>Trustee:</b>	Deutsche Trustee Company Limited

<b>Issuing and Principal Paying Agent:</b>	Deutsche Bank AG, London Branch
<b>Programme Size:</b>	Up to €3,000,000,000 (or its equivalent in other currencies calculated as described under “ <i>General Description of the Programme</i> ” above) outstanding at any time. RSG and Schiphol Nederland may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
<b>Distribution:</b>	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<b>Currencies:</b>	Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer.
<b>Maturities:</b>	Such maturities as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.
<b>Issue Price:</b>	Notes will be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<b>Form of Notes:</b>	The Notes will be issued in bearer form as described in “Form of the Notes” below.
<b>Fixed Rate Notes:</b>	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer, as specified in the applicable Final Terms.
<b>Floating Rate Notes:</b>	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or</li> <li>(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.</li> </ul> <p>The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p> <p>Floating Rate Notes may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant</p>



Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.

**Zero Coupon Notes:**

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

**Redemption:**

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving the required notice to the Noteholders or, as the case may be, the relevant Issuer on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the relevant Issuer and the relevant Dealer.

Notes issued on terms that they must be redeemed before their first anniversary may be subject to restrictions on their denomination and distribution. See "*Certain Restrictions – Notes having a maturity of less than one year*" above.

**Redemption pursuant to Issuer Residual Call:**

The applicable Final Terms will indicate whether the relevant Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer pursuant to an Issuer Residual Call. See "*Terms and Conditions of the Notes – Redemption and Purchase – Redemption at the option of the relevant Issuer (Issuer Residual Call)*" below.

**Redemption or purchase upon Change of Control:**

The applicable Final Terms will indicate whether the relevant Notes may be redeemed or purchased prior to their stated maturity at the option of the Noteholders upon the occurrence of a Change of Control. See "*Terms and Conditions of the Notes – Redemption and Purchase – Redemption or Purchase upon Change of Control*" below.

**Denomination of Notes:**

Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Certain Restrictions – Notes having a maturity of less than one year*" above, and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

**Taxation:**

All payments in respect of the Notes will be made without deduction of withholding taxes imposed within the Netherlands, subject as provided in Condition 7. In the event that any such deduction is made, the relevant Issuer or, as the case may be, the relevant Guarantor, will, save in certain limited circumstances

provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted.

**Negative Pledge:** The terms of the Notes will contain a negative pledge provision as further described in Condition 3.

**Cross Default:** The terms of the Notes will contain a cross default provision as further described in Condition 9(a)(iii).

**Status of the Notes:** The Notes will constitute direct, unconditional, unsubordinated and, subject to the provisions of Condition 3, unsecured obligations of the relevant Issuer and will rank *pari passu* without any preference among themselves and (subject as aforesaid and to such exceptions as exist by mandatory law) equally with all other present and future unsecured obligations (other than subordinated obligations, if any) of the relevant Issuer from time to time outstanding.

**Guarantees:** The Notes issued by RSG will be unconditionally and irrevocably guaranteed by Schiphol Nederland. The Notes issued by Schiphol Nederland will be unconditionally and irrevocably guaranteed by RSG. The obligations of each Guarantor under the relevant guarantee will be direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of the relevant Guarantor and (save for certain obligations required to be preferred by law) will rank *pari passu* and equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Guarantor, from time to time outstanding.

**Listing:** Application has been made to Euronext Amsterdam for Notes issued under the Programme up to the expiry of 12 months from the date of this Prospectus to be admitted to trading and listed on Euronext Amsterdam. In addition, the Issuers have requested that the AFM send to the UK Listing Authority (i) a copy of this Prospectus and (ii) a certificate of approval pursuant to Article 18 of the Prospectus Directive in order to permit Notes issued under the Programme up to the expiry of 12 months from the date of this Prospectus to be admitted to listing on the Official List of the UK Listing Authority and to trading on the regulated market of the London Stock Exchange plc (the “*London Stock Exchange*”).

Notes may also be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the relevant Issuer and the relevant Dealer, provided that, in the case of a listing on a regulated market, a prospectus supplement or individual (drawdown or base) prospectus is published.

Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchange(s) and/or markets.

**Governing Law:**

The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, English law.

**Selling Restrictions:**

There are restrictions on the offer, sale and transfer of the Notes in the Netherlands, the United States, the European Economic Area, the United Kingdom, Japan and the Republic of France and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “*Subscription and Sale*”.

## FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global note (a “*Temporary Global Note*”) or, if so specified in the applicable Final Terms, a permanent Global Note (a “*Permanent Global Note*”), which, in either case, will:

- (i) if the Global Notes are intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche of Notes to a common safekeeper (the “*Common Safekeeper*”) for Euroclear Bank SA/NV (“*Euroclear*”) and Clearstream Banking S.A. (“*Clearstream, Luxembourg*”); and
- (ii) if the Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche of Notes to a common depository (the “*Common Depository*”) for Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche of Notes are in NGN form, the applicable Final Terms will also indicate whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche of 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 times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

On and after the date (the “*Exchange Date*”) which is 40 days after the Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series or (ii) for definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification. The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon either (i) not less than 60 days’ written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (ii) only upon the occurrence of an Exchange Event. For these purposes, “*Exchange Event*” means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of

14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system satisfactory to the Trustee is available or (iii) the relevant Issuer would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of the Netherlands which would not be suffered were the Notes represented by the Permanent Global Note to be in definitive form and a certificate to such effect, signed by two “*Directeuren*” (“*Managing Directors*” and hereinafter referred to as “*Directors*”) if the relevant Issuer is RSG or one such Director if the relevant Issuer is Schiphol Nederland, is delivered to the Trustee. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 60 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all Notes (other than Temporary Global Notes) and on all interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

*“ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE OF THE UNITED STATES) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”*

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined in “*Terms and Conditions of the Notes*”), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the relevant Issuer, the Agent and the Trustee.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the relevant Guarantor, their agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal and/or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the relevant Issuer, the relevant Guarantor, their agents and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “*Noteholder*” and “*holder of Notes*” and related expressions shall be construed accordingly.

No Noteholder or Couponholder (as defined in “*Terms and Conditions of the Notes*”) shall be entitled to proceed directly against the relevant Issuer or the relevant Guarantor unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

## FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

### **[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:**

**THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, THE EXPRESSION “RETAIL INVESTOR” MEANS A PERSON WHO IS ONE (OR MORE) OF:**

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (“MIFID II”);**
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR**
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED.**

CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.<sup>1</sup>

[Date]

**[Royal Schiphol Group N.V./Schiphol Nederland B.V.]**  
(with corporate seat at Schiphol, Municipality of Haarlemmermeer, the Netherlands)

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
[Guaranteed by Schiphol Nederland B.V.]/[Royal Schiphol Group N.V.]  
under the €3,000,000,000 Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated [date] (the “Prospectus”) [as supplemented by the supplement[s] dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus [as so supplemented]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. Copies of the Prospectus [and the supplement[s]] are available for viewing [at [website]] [and] [during normal business hours, free of charge, at the registered office of the Issuer and at the specified offices of each of the Paying Agents].]

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<sup>1</sup> Prior to January 1, 2018, this legend is not required and “Prohibition of Sales to EEA Retail Investors” (see Part B, Para 5) should be specified as “Not Applicable”. This legend will be required after the date of application of the PRIIPs Regulation if “Prohibition of Sales to EEA Retail Investors” is specified as being “Applicable” (See Part B, Para 5).

*[The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Prospectus (or equivalent) with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Prospectus dated [original date] which are incorporated by reference in the Prospectus dated [date] (the “Prospectus”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area (the “Prospectus Directive”) and must be read in conjunction with the Prospectus [as supplemented by the supplement[s] dated [date] [and [date]]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. Copies of the Prospectus [and the supplement[s]] are available for viewing [at [website]] [and] [during normal business hours, free of charge, at the registered office of the Issuer and at the specified offices of each of the Paying Agents].]

- |    |       |  |   |
|----|-------|--|---|
| 1. | (i)   | Issuer:  | [Royal Schiphol Group N.V.]/[Schiphol Nederland B.V.]   |
|    | (ii)  | Guarantor:   | [Schiphol Nederland B.V.]/[Royal Schiphol Group N.V.]   |
| 2. | (i)   | Series Number:   | [•]   |
|    | (ii)  | Tranche Number:  | [•]   |
|    | (iii) | Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 21 below, which is expected to occur on or about [date]]/[Not Applicable] |
| 3. |       | Specified Currency or Currencies:                                      | [•]   |
| 4. |       | Aggregate Nominal Amount:  | [•]   |
|    | (i)   | Series (including this Tranche):                                       | [•]   |
|    | (ii)  | Tranche:   | [•]   |
| 5. |       | Issue Price:   | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]  |
| 6. | (i)   | Specified Denomination(s):   | [•]   |
|    |       |  | <i>(N.B. Where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:</i>  |
|    |       |  | <i>“€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000.”)</i>  |
|    | (ii)  | Calculation Amount:  | [•]   |



7. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [*Specify*]/[Issue Date]/[Not Applicable]
8. Maturity Date: [*Specify date*]/[(*for Floating Rate Notes*) Interest Payment Date falling in or nearest to [*specify the relevant month and year*]]
9. Interest Basis: [[●] per cent. Fixed Rate]
- [[●] month [LIBOR]/[EURIBOR] +/- [●] per cent. Floating Rate]
- [Zero Coupon]
- (further particulars specified below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] per cent. of their nominal amount
- (N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes may constitute derivative securities for the purpose of the Prospectus Directive and the requirements of Annex XII to the Prospectus Regulation will apply, which would trigger an individual (drawdown or base) prospectus.)*
11. Put/Call Options: [Investor Put]
- [Issuer Call]
- [Issuer Residual Call]
- [Change of Control Put]
- [(further particulars specified below)]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

12. **Fixed Rate Note Provisions** [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate(s) of Interest: [●] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [●]/[●] and [●]/[●], [●], [●] and [●] in each year up to and including the Maturity Date
- (iii) Fixed Coupon Amount(s): [●] per Calculation Amount
- (Applicable to Notes in definitive form)*

- (iv) Broken Amount(s): [[•] per Calculation Amount, payable on the Interest Payment Date falling [in]/[on] [•]]/[Not Applicable]  
*(Applicable to Notes in definitive form)*
- (v) Day Count Fraction: [Actual/Actual (ICMA)]/[30/360]
- (vi) Determination Date(s): [[•] in each year]/[Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
13. **Floating Rate Note Provisions** [Applicable]/[Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s): [•]
- (ii) Specified Interest Payment Dates: [•]
- (iii) Business Day Convention: [Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
- (iv) Additional Business Centre(s): [•]
- (v) Manner in which the Rate of Interest is to be determined: [Screen Rate Determination]/[ISDA Determination]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Agent): [•]
- (vii) Screen Rate Determination:
- Reference Rate: [•] month [LIBOR]/[EURIBOR]
  - Interest Determination Date(s): [•]
  - Relevant Screen Page: [•]
- (viii) ISDA Determination:
- Floating Rate Option: [•]
  - Designated Maturity: [•]
  - Reset Date: [•]
- (ix) Margin(s): [+/-] [•] per cent. per annum
- (x) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated

- using Linear Interpolation]
- (xi) Minimum Rate of Interest: [Not Applicable]/[•] per cent. per annum]
- (xii) Maximum Rate of Interest: [Not Applicable]/[•] per cent. per annum]
- (xiii) Day Count Fraction: [Actual/Actual]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]

**14. Zero Coupon Note Provisions**

[Applicable]/[Not Applicable]

*(If not applicable, delete the remaining sub- paragraphs of this paragraph)*

- (i) Accrual Yield: [•] per cent. per annum
- (ii) Reference Price: [•]
- (iii) Day Count Fraction in relation to Early Redemption Amounts: [30/360]/[Actual/360][Actual/365]

**PROVISIONS RELATING TO REDEMPTION**

**15. Issuer Call**

[Applicable]/[Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s): [•] per Calculation Amount]/[Make-Whole Amount]

*(Need to specify basis for discount to date of redemption of Reference Bond Rate if other than annual)*

- (iii) Reference Bond: [•]
- (iv) Redemption Margin: [•]
- (v) Quotation Time: [•]
- (vi) If redeemable in part: [•]
- (a) Minimum Redemption Amount: [•] per Calculation Amount
- (b) Higher Redemption Amount: [•] per Calculation Amount
- (vii) Notice period (if other than as set out in the Conditions): [•]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and*

*custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*

16. **Issuer Residual Call** [Applicable]/[Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

Residual Call Early Redemption Amount: [•] per Calculation Amount

17. **Investor Put** [Applicable]/[Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [•]

(ii) Optional Redemption Amount(s): [•] per Calculation Amount

(iii) Notice period (if other than as set out in the Conditions): [•]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*

18. **Change of Control Put:** [Applicable]/[Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Amount: [•] per Calculation Amount

(ii) Additional Business Centre(s): [•]

19. Final Redemption Amount: [•] per Calculation Amount

*(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes may constitute derivative securities for the purpose of the Prospectus Directive and the requirements of Annex XII to the Prospectus Regulation will apply, which would trigger an individual (drawdown or base) prospectus.)*

20. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default: [•] per Calculation Amount

## **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

21. Form of Notes:
- Form: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time]/[only upon an Exchange Event]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time]/[only upon an Exchange Event]]
- (N.B. The exchange upon notice at any time option should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)*
- New Global Note: [Yes]/[No]
22. Additional Financial Centre(s): [•]/[Not Applicable]
- (Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub-paragraph 13(iv) relates)*
23. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made]/[No]

## RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information.

[[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer and the Guarantor confirm that such information has been accurately reproduced and that, so far as they are aware and are able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [*name of the Issuer*]:

Signed on behalf of [*name of the Guarantor*]:

By .....

By .....

*Duly authorised*

*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market (for example, Euronext in Amsterdam or the London Stock Exchange's Regulated Market) and, if relevant, listing on an official list (for example, the Official List of the UK Listing Authority)] with effect from [•].]/[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market (for example, Euronext in Amsterdam or the London Stock Exchange's Regulated Market) and, if relevant, listing on an official list (for example, the Official List of the UK Listing Authority)] with effect from [•].]/[Not Applicable.]

*(N.B. Note that where the Issuer intends to seek admission to trading on (an) additional regulated market(s) in (an) additional member state(s) of the European Economic Area other than the one(s) provided for in the Prospectus, a supplemental prospectus will be required.)*

- (ii) Estimate of total expenses related to admission to trading: [•]

### 2. RATINGS

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

*[insert details]] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms].*

*[[Each of][defined terms] is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended).]*

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

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

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

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

[Save for any fees payable to the [Managers]/[Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers]/[Dealers] and their affiliates have engaged, and may in future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business. – *Amend as appropriate if there are other interests.*]

**4. YIELD** *(Fixed Rate Notes only)*

Indication of yield: [•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**5. DISTRIBUTION**

(i) Method of distribution: [Syndicated]/[Non-syndicated]

(ii) If syndicated, names of Managers: [Not Applicable]/[give names]

(iii) Date of [Subscription] Agreement: [•]

(iv) Stabilising Manager(s) (if any): [Not Applicable]/[give name(s)]

(v) If non-syndicated, name of relevant Dealer: [Not Applicable]/[give name]

(vi) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D]/[TEFRA C]/[TEFRA not applicable]

(vii) Prohibition of Sales to EEA Retail Investors: [Applicable]/[Not Applicable]  
*[If the offer of the Notes is concluded prior to January 1, 2018, or on and after that date the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the offer of the Notes will be concluded on or after January 1, 2018 and the Notes may constitute “packaged” products and no “key information document” will be prepared, “Applicable” should be specified.]*

**6. OPERATIONAL INFORMATION**

(i) ISIN Code: [•]

(ii) Common Code: [•]

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



number(s):

- |      |   |  |
|------|---|--|
| (iv) | Delivery:   | Delivery [against]/[free of] payment   |
| (v)  | Names and addresses of additional Paying Agent(s) (if any):               | [•]  |
| (vi) | Intended to be held in a manner which would allow Eurosystem eligibility: | <p>[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]</p> <p>[No. Whilst the designation is specified as “no” at the date of these Final Terms, 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 ECB being satisfied that Eurosystem eligibility criteria have been met.]</p> |

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note.*

This Note is one of a Series (as defined below) of Notes issued by Royal Schiphol Group N.V. (“RSG”) or Schiphol Nederland B.V. (“Schiphol Nederland” and, together with RSG in its capacity as an issuer, the “Issuers” and each an “Issuer”) constituted by a Trust Deed dated May 20, 1999, as supplemented and/or amended and/or restated from time to time (the “Trust Deed”) made between RSG (in its capacity both as an Issuer and as a Guarantor of Notes issued by Schiphol Nederland), Schiphol Nederland (in its capacity as an Issuer and as a Guarantor (together with RSG in its capacity as a Guarantor, the “Guarantors” and each, a “Guarantor”) of Notes issued by RSG) and Deutsche Trustee Company Limited (the “Trustee”, which expression shall include any successor as trustee).

References herein to the “Notes” shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global note (a “Global Note”), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note; and
- (iii) any definitive Notes issued in exchange for a Global Note.

Reference herein to the “relevant Issuer” and “relevant Guarantor” shall be to the Issuer and the Guarantor of the Notes named in the applicable Final Terms (as defined below), respectively.

The Notes and the Coupons (as defined below) have the benefit of an amended and restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the “Agency Agreement”) dated April 21, 2017 and made between RSG in its capacity both as an Issuer and a Guarantor, Schiphol Nederland in its capacity both as an Issuer and a Guarantor, Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (the “Agent”, which expression shall include any successor agent), the other paying agents named therein (together, unless the context otherwise requires, with the Agent, the “Paying Agents”, which expression shall include any additional or successor paying agents) and the Trustee.

Interest bearing definitive Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (“Coupons”) and, if indicated in the applicable Final Terms, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Final Terms for this Note (or the relevant provisions thereof) are attached to or endorsed on this Note and complete these Terms and Conditions (these “Conditions”). References to the “applicable Final Terms” are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The Trustee acts for the benefit of the holders for the time being of the Notes (the “Noteholders”, which expression shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Coupons (the “Couponholders”, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, “*Tranche*” means Notes which are identical in all respects (including as to listing) and “*Series*” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed, the Agency Agreement and the applicable Final Terms are available for inspection during normal business hours at the registered office for the time being of the Trustee (being at Winchester House, 1 Great Winchester Street, London EC2N 2DB) and at the specified office of each of the Agent and the other Paying Agents save that, if this Note is an unlisted Note of any Series, the applicable Final Terms will only be available for inspection by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to the Trustee or, as the case may be, the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, are bound by, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the Trust Deed, the Trust Deed shall prevail and, in the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms shall prevail.

## **1. Form, Denomination and Title**

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The relevant Issuer, the relevant Guarantor, any Paying Agent and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (“*Euroclear*”) and/or Clearstream Banking S.A. (“*Clearstream, Luxembourg*”), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the relevant Guarantor, the Trustee and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal and/or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the relevant Issuer, the relevant Guarantor, the Trustee and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions

“*Noteholder*” and “*holder of Notes*” and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the relevant Issuer, the Agent and the Trustee.

## **2. Status of the Notes and the Guarantees**

### **(a) *Status of the Notes***

The Notes and any relative Coupons constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the relevant Issuer and rank *pari passu*, without any preference among themselves, and (subject as aforesaid and to such exceptions as exist by mandatory law) equally with all other present and future unsecured obligations (other than subordinated obligations, if any) of the relevant Issuer from time to time outstanding.

### **(b) *Status of the Guarantees***

The due performance of all payment and other obligations of the relevant Issuer under the Notes and Coupons, these Conditions and the Trust Deed has been, where the relevant Issuer is RSG, unconditionally and irrevocably guaranteed (as more particularly defined in the Trust Deed, the “*Schiphol Nederland Guarantee*”) by Schiphol Nederland in its capacity as a guarantor under the Trust Deed and, where the relevant Issuer is Schiphol Nederland, unconditionally and irrevocably guaranteed (as more particularly defined in the Trust Deed, the “*RSG Guarantee*”) by RSG in its capacity as a guarantor under the Trust Deed (as more particularly defined in the Trust Deed, the RSG Guarantee together with the Schiphol Nederland Guarantee, the “*Guarantees*” and each, a “*Guarantee*”). The obligations of each Guarantor under the relevant Guarantee constitute direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of such Guarantor and (subject as aforesaid) rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of such Guarantor, present and future, but only to the extent permitted by applicable laws relating to creditors’ rights.

## **3. Negative Pledge**

So long as any of the Notes remains outstanding (as defined in Condition 14), neither the relevant Issuer nor the relevant Guarantor will, and RSG will procure that none of the Principal Subsidiaries (as defined in Condition 9), if any, will, hereafter create or permit to be outstanding any mortgage, charge, pledge, lien or other security interest on any of its present or future undertakings or assets or enter into any arrangement, the practical effect of which is to grant or permit to be outstanding similar security, in any case in respect of any Obligation of the relevant Issuer, the relevant Guarantor or any Principal Subsidiary, or any Obligation of any other person, in each case without at the same time securing the Notes equally and rateably therewith to the satisfaction of the Trustee or providing such other security therefor which the Trustee in its absolute discretion shall deem not materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in Condition 14) of the Noteholders.

“*Obligation*” means any present or future indebtedness evidenced by bonds, debentures or other securities which, at the request or with the concurrence of the relevant issuer, are quoted or traded for the time being, or are capable of being quoted or traded, on any stock exchange or other recognised market for securities.

## **4. Interest**

### **(a) *Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

“*Day Count Fraction*” means, in respect of the calculation of an interest amount in accordance with this Condition 4(a):

- (i) if “*Actual/Actual (ICMA)*” is specified in the applicable Final Terms:
  - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “*Accrual Period*”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

“*Determination Period*” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

“*Fixed Interest Period*” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date; and

“*sub-unit*” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Floating Rate Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an “*Interest Payment Date*”) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “*Interest Payment Date*”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls within the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be

postponed to the next day which is a Business Day; or

- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, “*Business Day*” means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre specified in the applicable Final Terms; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (“*TARGET2 System*”) is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “*ISDA Rate*” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under a notional interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes) (the “*ISDA Definitions*”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), (i) “*Floating Rate*”, “*Calculation Agent*”, “*Floating Rate Option*”, “*Designated Maturity*” and “*Reset Date*” have

the meanings given to those terms in the ISDA Definitions.

(B) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either the London inter-bank offered rate (“*LIBOR*”) or the Euro-zone inter-bank offered rate (“*EURIBOR*”), as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of *LIBOR*, or Brussels time, in the case of *EURIBOR*) on the Interest Determination Date in question (as indicated in the applicable Final Terms) plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the Specified Time, the Agent, or failing which the relevant Issuer, shall request each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate, at approximately the Specified Time, on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time, on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is *LIBOR*, the London inter-bank market or, if the Reference Rate is *EURIBOR*, the Euro-zone inter-bank market, as the case may be, plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference



Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at approximately the Specified Time, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the relevant Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin (if any) is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin (if any) relating to the relevant Interest Period, in place of the Margin (if any) relating to that last preceding Interest Period).

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

“*Specified Time*” means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Brussels time, in the case of a determination of EURIBOR).

(iii) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amounts*

The Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the “*Interest Amount*”) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate

Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

“Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:

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

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

where:

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

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

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

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

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

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

where:

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

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

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

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

“ $D_2$ ” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case  $D_2$  will be 30; and

- (vi) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“ $D_1$ ” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case  $D_1$  will be 30; and

“ $D_2$ ” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case  $D_2$  will be 30.

(v) *Linear Interpolation*

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

the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period, provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

“*Designated Maturity*” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vi) *Notification of Rate of Interest and Interest Amounts*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the relevant Issuer, the Trustee and any stock exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being listed or by which they have been admitted to listing and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being listed or by which they have been admitted to listing and to the Noteholders in accordance with Condition 13. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the accrued interest or the Rate of Interest so calculated need be made unless the Trustee otherwise requires. For the purposes of this paragraph, the expression “*London Business Day*” means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

(vii) *Determination or Calculation by Trustee*

If for any reason at any relevant time the Agent defaults in its obligation to determine the Rate of Interest or in its obligation to calculate any Interest Amount in accordance with sub-paragraph (ii)(A) or (B) above, as the case may be, and in each case in accordance with paragraph (iv) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 4(b), but subject always to any Minimum or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent.

(viii) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the relevant Issuer, the relevant Guarantor, the Agent, the other Paying Agents and all Noteholders and Couponholders

and (in the absence of wilful default and bad faith) no liability to the relevant Issuer, the relevant Guarantor, the Noteholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Zero Coupon Notes*

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest. When a Zero Coupon Note becomes repayable prior to its Maturity Date it will be redeemed at the Early Redemption Amount calculated in accordance with Condition 6(f)(ii). In the case of late payment the amount due and repayable shall be calculated in accordance with Condition 6(i).

(d) *Accrual of interest*

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

## 5. **Payments**

(a) *Method of payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7.

(b) *Presentation of definitive Notes and Coupons*

Payments of principal by or on behalf of the relevant Issuer or the relevant Guarantor in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest by or on behalf of the relevant Issuer or the relevant Guarantor in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same

proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of such definitive Note.

(c) *Payments in respect of Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented, or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

(d) *General provisions applicable to payments*

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the relevant Issuer and the relevant Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the relevant Issuer or, as the case may be, the relevant Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the relevant Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on such Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or

other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

- (iii) such payment is then permitted under United States law without involving, in the opinion of the relevant Issuer and the relevant Guarantor, any adverse tax consequences to the relevant Issuer or the relevant Guarantor.

(e) *Payment Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to any further interest or other payment in respect of such delay. For these purposes, "*Payment Day*" means any day which is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) in the case of Notes in definitive form only, the relevant place of presentation;
  - (B) each Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(f) *Interpretation of principal and interest*

Any reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or under any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) the Residual Call Early Redemption Amount (if any) of the Notes;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(f)(ii)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the relevant Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## 6. Redemption and Purchase

### (a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the relevant Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

### (b) *Redemption for tax reasons*

The Notes may be redeemed at the option of the relevant Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Trustee and the Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if the relevant Issuer satisfies the Trustee immediately before the giving of the notice referred to above that:

- (i) on the occasion of the next payment due under the Notes, the relevant Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 and/or any undertakings given in addition thereto or substitution therefor pursuant to the Trust Deed or the relevant Guarantor would be unable for reasons outside its control to procure payment by the relevant Issuer and in making payment itself would be obliged to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision of, or any authority in, or of, the Netherlands having power to tax, or any change in the application of any official or generally accepted practice of any such authority therein or thereof or in the application or official interpretation of any official or generally accepted interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the relevant Issuer or, as the case may be, the relevant Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer or, as the case may be, the relevant Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the relevant Issuer or, as the case may be, the relevant Guarantor shall deliver to the Trustee a certificate signed by two Directors of the relevant Issuer or, as the case may be, two Directors of the relevant Guarantor stating that the relevant Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the relevant Issuer so to do have occurred, and an opinion of independent legal advisers of recognised standing approved by the Trustee to the effect that the relevant Issuer or, as the case may be, the relevant Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept the certificate and the opinion as sufficient evidence of satisfaction of the conditions precedent set out above, in which event they shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### (c) *Redemption at the option of the relevant Issuer (Issuer Call)*

If Issuer Call is specified in the applicable Final Terms, the relevant Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice (or such other notice period as may



be specified in the applicable Final Terms) to the Noteholders in accordance with Condition 13; and

- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Trustee and the Agent;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). Upon expiry of such notice the Issuer shall be bound to redeem the Notes accordingly.

If Make-Whole Amount is specified in the applicable Final Terms as the Optional Redemption Amount, the Optional Redemption Amount shall be an amount calculated by the Independent Financial Adviser equal to the higher of (i) 100 per cent. of the nominal amount outstanding of the Notes to be redeemed or (ii) the sum of the present values of the nominal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis (or such other basis as may be specified in the applicable Final Terms) at the Reference Bond Rate, plus the Redemption Margin.

Any redemption in part must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. In the case of a partial redemption of Notes, the Notes to be redeemed (“*Redeemed Notes*”) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “*Selection Date*”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the relevant Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

For the purposes of this Condition 6(c):

“*IFA Selected Bond*” means a government security or securities selected by the Independent Financial Adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

“*Independent Financial Adviser*” means an independent financial institution of international repute appointed by the relevant Issuer at its own expense;

“*Redemption Margin*” shall be as set out in the applicable Final Terms;

“*Reference Bond*” shall be as set out in the applicable Final Terms or, if no such bond is set out or if such bond is no longer outstanding, shall be the IFA Selected Bond;

“*Reference Bond Price*” means, with respect to any date of redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Independent Financial Adviser obtains fewer than four such Reference Government Bond

Dealer Quotations, the arithmetic average of all such quotations;

“*Reference Bond Rate*” means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

“*Reference Date*” will be set out in the relevant notice of redemption;

“*Reference Government Bond Dealer*” means each of five banks selected by the relevant Issuer (or the Independent Financial Adviser on its behalf), or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

“*Reference Government Bond Dealer Quotations*” means, with respect to each Reference Government Bond Dealer and any date for redemption, the arithmetic average, as determined by the Independent Financial Adviser, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the applicable Final Terms on the Reference Date quoted in writing to the Independent Financial Adviser by such Reference Government Bond Dealer; and

“*Remaining Term Interest*” means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from (and including) the date on which such Note is to be redeemed by the relevant Issuer pursuant to this Condition 6(c).

(d) *Redemption at the option of the relevant Issuer (Issuer Residual Call)*

If Issuer Residual Call is specified in the applicable Final Terms and, at any time, the outstanding aggregate nominal amount of the Notes is 20 per cent. or less of the aggregate nominal amount of the Series issued, the Notes may be redeemed at the option of the relevant Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 and not more than 60 days' notice to the Trustee, and the Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable) at the Residual Call Early Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the date fixed for redemption.

(e) *Redemption at the option of the Noteholders (Investor Put)*

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the relevant Issuer in accordance with Condition 13 not less than 15 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms) the relevant Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

If this Note is in definitive form, to exercise the right to require redemption of this Note the holder of this Note must deliver this Note at the specified office of any Paying Agent at any time during the normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a “*Put Notice*”) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note, or is in definitive form and held on behalf of Euroclear and/or Clearstream, Luxembourg to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of the relevant clearing system (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depository therefor to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present, or procure the presentation of, the relevant Global Note to the Agent for notation accordingly.

(f) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 9, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note other than a Zero Coupon Note, at the amount specified in the applicable Final Terms or, if no such amount is so specified in the applicable Final Terms, at its nominal amount; and
- (ii) in the case of a Zero Coupon Note, at an amount (the “*Amortised Face Amount*”) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

“*RP*” means the Reference Price;

“*AY*” means the Accrual Yield expressed as a decimal; and

“*y*” is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(g) *Purchases*

RSG, Schiphol Nederland, any other Subsidiary of RSG may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the purchaser’s option, surrendered to any Paying Agent for cancellation.

(h) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so

cancelled and Notes purchased and cancelled pursuant to paragraph (f) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold. Upon a cancellation of Notes represented by a Global Note, the nominal amount of the Notes represented by such Global Note shall be reduced by the nominal amount of such Notes so cancelled.

(i) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (f)(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) the fifth day after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Agent or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 13.

(j) *Redemption or purchase upon Change of Control*

If Change of Control Put is specified in the applicable Final Terms and whilst any of the Notes remain outstanding, a Change of Control and a Negative Rating Event occur within the Change of Control Period and continue until the end of the Change of Control Period (a “*Put Event*”), each holder of any Note shall have the option (the “*Change of Control Put Option*”) to require the relevant Issuer to redeem (or, at the option of the relevant Issuer, to purchase (or to procure the purchase of)) such Note, in whole (but not in part) on the date falling 7 Business Days after the end of the Put Period (as defined below) (such date a “*Put Date*”) at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Put Date. Following the occurrence of a Put Event, and in any event not more than 10 Business Days after the end of the Change of Control Period, the relevant Issuer shall and, at any time upon the Trustee becoming similarly aware, the Trustee may and, if so requested by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall, (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the holders of the Notes of the occurrence of the Put Event (the “*Put Event Notification*”).

To exercise the Change of Control Put Option, the holder of this Note must, if it is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver this Note at the specified office of any Paying Agent at any time during the normal business hours of such Paying Agent falling within the period of 10 Business Days after the relevant Put Event Notification is given (the “*Put Period*”), accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a “*Put Notice*”) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is in definitive form, it should be delivered together with all Coupons appertaining thereto (which expression, if applicable, shall for this purpose include Coupons falling to be issued on exchange of unmatured Talons) maturing after the Put Date, failing which (i) if this Note is a Fixed Rate Note, the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured

Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment and (ii) if this Note is a Floating Rate Note, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void. In the case of (i) above, each amount of principal so deducted will be paid in the manner provided in Condition 5 against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

If this Note is represented by a Global Note, or is in definitive form and held on behalf of Euroclear and/or Clearstream, Luxembourg, to exercise the Change of Control Put Option, the holder of this Note must, within the Put Period, give notice to the Agent of such exercise in accordance with the standard procedures of the relevant clearing system (which may include notice being given on his instruction by Euroclear and/or Clearstream, Luxembourg or any common depository therefor to the Agent by electronic means) in a form acceptable to Euroclear and/or Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present, or procure the presentation of, the relevant Global Note to the Agent for notation accordingly.

If this Note is in definitive form, the Paying Agent to which this Note and the related Put Notice are delivered will issue to the relevant Noteholder concerned a non-transferable receipt in respect of this Note. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Put Notice to which payment is to be made, on the Put Date by transfer to that bank account and, in every other case, on or after the Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. A Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to the Conditions shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 9, in which event such holder, at its option, may elect by notice to the relevant Issuer to withdraw the notice given pursuant to this provision. For the purposes of this provision and the Conditions, receipts issued pursuant to this Condition shall be treated as if they were Notes.

The relevant Issuer shall redeem or purchase (or procure the purchase of) the Notes on the Put Date unless previously redeemed (or purchased) and cancelled.

The Trustee is under no obligation to ascertain whether a Change of Control or a Put Event or any event which could lead to the occurrence of or could constitute a Change of Control or Put Event has occurred, and, until it shall have notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control or Put Event or other such event has occurred.

A “*Change of Control*” means that the State of The Netherlands (*Staat der Nederlanden*) ceases to (I) own directly or indirectly (through any municipality, governmental body and/or governmental organisation) more than 50 per cent. of the total issued share capital of RSG; or (II) have the power directly or indirectly (through any municipality, governmental body and/or governmental organisation) to cast, or control the casting of, more than 50 per cent. of the maximum number of votes that may be cast at general meetings of RSG.

“*Change of Control Period*” means the period (i) commencing on the earlier of (x) any public announcement or statement of the relevant Issuer or the relevant Guarantor, any person acting on behalf of the relevant Issuer or the relevant Guarantor, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control or (y) the date of the first public announcement of the Change of Control having occurred, and (ii) ending on the 180th day (inclusive) after the occurrence of the relevant Change of Control.

“*Negative Rating Event*” means either (a) the public announcement by a relevant Rating Agency of a Rating which is less favourable than an Investment Grade Rating, or (b) if at the time of the Change of Control (i) there is no publicly announced rating by any Rating Agency solicited by the relevant Issuer or the relevant Guarantor of the relevant Issuer’s or the relevant Guarantor’s financial strength or senior and unsecured indebtedness and (ii) no Rating Agency assigns during the Change of Control Period an Investment Grade Rating to the Notes (unless the relevant Issuer and the relevant Guarantor are unable to obtain such a rating within such period having used all reasonable endeavours to do so and such failure is unconnected with the occurrence of the Change of Control); provided, in each case, that a Negative Rating Event otherwise arising by virtue of a particular change in rating, or failure to obtain an Investment Grade Rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency making the change in or withdrawing the rating, or failing to award an Investment Grade Rating, to which this definition would otherwise apply does not confirm that the withdrawal, reduction or such failure was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control.

“*Investment Grade Rating*” means a Rating of BBB- or higher in the case of a rating issued by S&P and Baa3 or higher in the case of a Rating issued by Moody’s.

“*Rating Agency*” means Standard & Poor’s Credit Market Services Europe Limited (“*S&P*”), Moody’s Investors Service Ltd. (“*Moody’s*”) and their respective successors to their ratings business.

“*Rating*” means the publicly announced rating by any Rating Agency solicited by the relevant Issuer or the relevant Guarantor of the relevant Issuer’s or the relevant Guarantor’s financial strength or senior and unsecured indebtedness.

## **7. Taxation**

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the relevant Issuer or, as the case may be, the relevant Guarantor will be made without withholding or deduction of any present or future taxes or duties of whatever nature imposed or levied by the Netherlands unless such withholding or deduction is required by law. In such event, the relevant Issuer or, as the case may be, the relevant Guarantor will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any payment in respect of any Note or Coupon:

- (i) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note or Coupon; or
- (ii) presented for payment in the Netherlands; or
- (iii) presented for payment by, or on behalf of, a Noteholder or Couponholder who would be able to avoid such withholding or deduction by presenting any form or certificate and/or making a declaration of non-residence or similar claim for exemption but fails to do so; or
- (iv) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day, assuming that day to have been a Payment Day (as defined in Condition 5(e)).

As used herein, the “*Relevant Date*” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or the

Trustee, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## **8. Prescription**

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

## **9. Events of Default and Enforcement**

### **(a) *Events of Default***

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the relevant Issuer and the relevant Guarantor that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount, together with accrued interest as provided in the Trust Deed, in any of the following events ("*Events of Default*"):

- (i) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and, in the case of payment of any interest, the default continues for a period of 14 days; or
- (ii) if the relevant Issuer or the relevant Guarantor fails to perform or observe any of its other obligations under these Conditions or the Trust Deed and (except in any case where the Trustee considers the failure to be incapable of remedy), upon notice to such effect being given to the relevant Issuer, or, as the case may be, the relevant Guarantor the failure continues for the period of 45 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the relevant Issuer or, as the case may be, the relevant Guarantor of notice requiring the same to be remedied; or
- (iii) if any Indebtedness for Borrowed Money (as defined below) of the relevant Issuer, the relevant Guarantor or any Principal Subsidiary (as defined below) becomes due and repayable prematurely by reason of an event of default (however described) or the relevant Issuer, the relevant Guarantor or any Principal Subsidiary fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period or any security given by the relevant Issuer, the relevant Guarantor or any Principal Subsidiary for any Indebtedness for Borrowed Money becomes enforceable or if default is made by the relevant Issuer, the relevant Guarantor or any Principal Subsidiary in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person, provided that no such event shall constitute an Event of Default unless the relative Indebtedness for Borrowed Money either alone or when aggregated with other Indebtedness for Borrowed Money relative to all (if any) other such events which shall have occurred and be continuing shall amount to at least U.S.\$25,000,000 (or its equivalent in any other currency) and provided further that an event mentioned in this paragraph (iii) shall not be included within the ambit of this paragraph (iii) if the obligation to pay the relevant Indebtedness for Borrowed Money (or pursuant to the relevant guarantee or indemnity) is, in the opinion

of the Trustee, being disputed in good faith; or

- (iv) if any order is made by any competent court or resolution passed for the winding up or dissolution of the relevant Issuer, the relevant Guarantor or any Principal Subsidiary, save for the purposes of an amalgamation, consolidation, merger, reconstitution or reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders; or
- (v) if the relevant Issuer, the relevant Guarantor or any Principal Subsidiary ceases or threatens to cease to carry on the whole or at least 50 per cent. of its business, save for the purposes of amalgamation, consolidation, merger, reconstitution or reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders, or the relevant Issuer, the relevant Guarantor or any Principal Subsidiary (i) files a request for bankruptcy within the meaning of Section 1 of the Netherlands Bankruptcy Act (“*Faillissementswet*”), (ii) files a request for a moratorium of payments within the meaning of Section 213 of the Netherlands Bankruptcy Act, (iii) is declared bankrupt within the meaning of Section 1 of the Netherlands Bankruptcy Act by a judgment of a competent court in the Netherlands and such judgment is not removed or stayed within 45 days, (iv) makes a general assignment for the benefit of its creditors generally, or (v) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of (i), (ii), (iii) or (iv) above; or
- (vi) if an executory attachment (*executoriaal beslag*) is made on any major part of the relevant Issuer’s or the relevant Guarantor’s assets or of any Principal Subsidiary’s assets or if a conservatory attachment (*conservatoir beslag*) is made on all or substantially all of the relevant Issuer’s or the relevant Guarantor’s assets or of any Principal Subsidiary’s assets and such attachment is not removed or lifted within 45 days or any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in this paragraph; or
- (vii) the relevant Guarantee is not (or is claimed by the relevant Guarantor not to be) in full force and effect,

provided that, in the case of any Event of Default other than those described in sub-paragraphs (i) and (iv) (in the case of a winding up or dissolution of the relevant Issuer or the relevant Guarantor), the Trustee shall have certified to the relevant Issuer and the relevant Guarantor that the Event of Default is, in its opinion, materially prejudicial to the interests of the Noteholders.

“*Indebtedness for Borrowed Money*” means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit (other than liabilities in respect of trade bills incurred in the ordinary course of trading) or (iii) any notes, bonds, debentures, debenture stock, loan stock or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash.

“*Principal Subsidiary*” means a Subsidiary (as defined below) (other than Schiphol Nederland) of RSG:

- (A) whose gross revenues attributable to RSG (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 15 per cent. of the consolidated gross revenues attributable to the shareholders of RSG, or, as the case may be, consolidated total assets, of RSG and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited



consolidated accounts of RSG and its Subsidiaries; or

- (B) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of RSG which immediately before the transfer is a Principal Subsidiary,

all as more particularly defined in the Trust Deed.

“*Subsidiary*” means a subsidiary within the meaning of Section 24a of Book 2 of the Netherlands Civil Code.

A report by the Auditors (as defined in the Trust Deed) that in their opinion a Subsidiary of RSG is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

(b) *Enforcement*

At any time after the Notes shall have become immediately due and repayable the Trustee may, at its discretion and without further notice, institute such proceedings against the relevant Issuer or the relevant Guarantor as it may think fit to enforce repayment of the Notes together with accrued interest and to enforce the provisions of the Trust Deed, but it shall not be bound to take any such proceedings unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the relevant Issuer or the relevant Guarantor unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

## 10. Replacement of Notes, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the relevant Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## 11. Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out below.

The relevant Issuer is entitled, with the prior written consent of the Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) there will at all times be an Agent;
- (ii) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or, as the case may be, other relevant authority; and
- (iii) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the Netherlands.

In addition, the relevant Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the second paragraph of Condition 5(d).

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 60 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 13.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the relevant Issuer and the relevant Guarantor and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## **12. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

## **13. Notices**

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London approved in writing by the Trustee. It is expected that publication in London will be made in the *Financial Times*. The relevant Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or admitted to listing by any other relevant authority and the rules of that stock exchange, or as the case may be, other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange, or as the case may be, other relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with any Paying Agent. Whilst any of the Notes is represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

## **14. Meetings of Noteholders, Modification, Authorisation, Waiver and Determination**

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification or abrogation of any of the provisions of these Conditions, the Notes, the Coupons or the Trust Deed. Such a meeting may be convened by the relevant Issuer, the relevant Guarantor or the Trustee and shall be convened by the relevant Issuer at the request of Noteholders holding not less than ten per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons present holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one

or more persons present being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification or abrogation of certain provisions of these Conditions, the Notes, the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate or amount of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum for passing an Extraordinary Resolution shall be one or more persons present holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

“*Extraordinary Resolution*” means (a) a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes cast on such poll; or (b) a resolution in writing signed by or on behalf of all the Noteholders, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders.

“*outstanding*” means all the Notes issued other than *inter alia* those Notes which have been redeemed, purchased and cancelled or have become void pursuant to the Conditions, provided that, for the purposes of *inter alia* determining the right to attend and vote at any meeting of the holders of the Notes and determining how many and which Notes are for the time being outstanding for the purposes of this Condition 14 (and Condition 9(a) and (b)), those Notes (if any) which are for the time being held by or on behalf of the relevant Issuer, the relevant Guarantor or any of their Subsidiaries in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding, all as more particularly defined in the Trust Deed.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to:

- (i) any modification of any of the provisions of these Conditions, the Notes, the Coupons, the Trust Deed or the Agency Agreement which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders; or
- (ii) any modification of any of the provisions of these Conditions, the Notes, the Coupons, the Trust Deed or the Agency Agreement which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error or an error which is, in the opinion of the Trustee, proven or to comply with mandatory provisions of applicable law.

The Trustee may also agree, without the consent of the Noteholders or Couponholders, to the waiver or authorisation of any breach or proposed breach of any of these Conditions or any of the provisions of the Trust Deed or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, which in any such case is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders.

Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities or discretions (including, but without limitation, in relation to any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular, but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and

the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the relevant Issuer, the relevant Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except, in the case of the relevant Issuer or the relevant Guarantor to the extent provided for in Condition 7 and/or any undertaking given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

**15. Indemnification of the Trustee and its Contracting with RSG, Schiphol Nederland and their Subsidiaries**

The Trust Deed contains provisions for the indemnification and/or securitisation of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the relevant Issuer and/or the relevant Guarantor and/or any of their Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, any such persons, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

**16. Further Issues**

The relevant Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other Series in certain circumstances where the Trustee so decides.

**17. Substitution**

The Trustee may agree, without the consent of the Noteholders or the Couponholders, with the relevant Issuer to the substitution in place of such Issuer (or of any previous substitute under this Condition) of the relevant Guarantor or any Subsidiary of RSG as principal debtor under the Trust Deed, the Notes and the Coupons. Such substitution shall be subject to the relevant provisions of the Trust Deed, such amendments thereof and such other conditions as the Trustee may require.

**18. Third Party Rights**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

**19. Governing Law and Submission to Jurisdiction**

(a) *Governing law*

The Trust Deed, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and the Coupons shall be governed by, and construed in accordance with, English law.

(b) *Submission to jurisdiction*

Each of RSG and Schiphol Nederland agrees, for the benefit of the Trustee, the Noteholders and

the Couponholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with these Conditions, the Trust Deed, the Notes and the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and the Coupons) and that accordingly any suit, action or proceedings (together referred to as “*Proceedings*”) arising out of or in connection with these Conditions, the Trust Deed, the Notes and the Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and the Coupons) may be brought in such courts.

Each of RSG and Schiphol Nederland hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings against RSG or Schiphol Nederland in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

(c) *Appointment of Process Agent*

Each of RSG and Schiphol Nederland appoints Hackwood Secretaries Limited at its registered office for the time being (being at One Silk Street, London EC2Y 8HQ) as its agent for service of process in connection with Proceedings in England, and undertakes that, in the event of Hackwood Secretaries Limited ceasing so to act or ceasing to be registered in England, it will appoint such other person as the Trustee may approve as its agent for service of process in England in respect of any Proceedings in England.

Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes are intended to be applied for refinancing, capital expenditure and other general corporate purposes of RSG and its Subsidiaries.

## DESCRIPTION OF RSG

### Introduction

Royal Schiphol Group N.V. (formerly: N.V. Luchthaven Schiphol) (“RSG”), was incorporated on January 22, 1958 and operates as a company with limited liability under Dutch law. RSG is registered in the trade register at the Chamber of Commerce under number 34029174. RSG has its corporate seat in Schiphol, the Netherlands and has its registered address at Evert van de Beekstraat 202, 1118 CP Schiphol, Municipality of Haarlemmermeer, the Netherlands, telephone: +31 20 601 9111. The Articles of Association of RSG were last amended by notarial deed on April 19, 2017. RSG’s website is [www.schiphol.nl](http://www.schiphol.nl).

### Capitalisation and Shareholders

The authorised share capital of RSG is approximately EUR 143 million divided into 300,000 A shares and 14,892 B shares each of par value EUR 454.00. As at December 31, 2016, a total of 171,255 A shares and 14,892 B shares had been issued, all of which are fully paid. The Aviation Act (*Wet luchtvaart*) requires that a majority of the economic and legal interest in RSG shall be owned by public authorities. Groupe ADP owns all of the B shares. By virtue of its Articles of Association, only Dutch government entities are eligible to own shares in RSG. An exception is in place for Groupe ADP.

Ownership of these shares is currently as follows:

- State of the Netherlands 69.77 per cent.
- The City of Amsterdam 20.03 per cent.
- Groupe ADP 8.00 per cent.
- The City of Rotterdam 2.20 per cent.

Notwithstanding its ownership structure, RSG is a (financially) independent commercial enterprise servicing financial commitments from cash flows generated by its subsidiaries, with no sovereign guarantee.

### Corporate Governance

RSG does not have a stock market listing and is not legally obliged to comply with the Dutch Corporate Governance Code (the “Code”). The Code is comprised of principles and best practices for Dutch public companies whose shares are listed on a stock exchange. RSG has taken note of the Code, as published on December 8, 2016, and as designated as a code of conduct within the context of Section 2:391, subsection 5 of the Netherlands Civil Code. In 2017, RSG updated the sets of rules governing the Supervisory Board, its four subcommittees and the Management Board in line with the Code. RSG has implemented the majority of the Code’s principles and best practice provisions. The principles and best practice provisions of the Code have been implemented where possible and/or advisable and have been laid down in a compliance overview.

Only a few of the best practice provisions have not been implemented primarily as a consequence of the current ownership structure. The exceptions are explained in the compliance overview, which is available on [www.schiphol.nl](http://www.schiphol.nl).

### Financial Statements

RSG currently prepares consolidated financial statements on an annual basis, which are audited by an external accountant, and consolidated financial statements on a semi-annual basis, which are unaudited.

### Management Board

The members of the Management Board are as follows:

Jos A. Nijhuis	Chair of the Management Board/President and Chief Executive Officer Member of the Supervisory Board of de Volksbank N.V. Non-executive member of the Board of Directors of Groupe ADP Non-executive member of the Board of Directors of Brisbane Airport Corporation PTY Ltd Member of the ACI Europe Board and ACI World Governing Board Member of the Dutch National Opera and Ballet Board of Governors Member of the Amsterdam Economic Board Co-chair of the Schiphol Security and Public Safety Platform Member of the Executive Board and Governing Board of VNO-NCW (Confederation of Netherlands Industry and Employers) Member of Cyber Security Council Member of the Supervisory Board of Hotel Okura Amsterdam B.V.
Els A. de Groot (until May 1, 2017)	Member of the Management Board/Chief Financial Officer Member of the Supervisory Board of Beter Bed Holding N.V. Non-executive member of the Board of Directors of Groupe ADP Member of the Supervisory Board of Vitens N.V.
Jabine van der Meijs (as of May 1, 2017)	Member of the Management Board/Chief Financial Officer Member of the Supervisory Board of Koole Terminals Member of the Supervisory Board of Kendrion N.V.
Birgit I. Otto	Member of the Management Board/Chief Operations Officer Chair of the Schiphol Security and Public Safety Steering Group Chair of the Schiphol Safety Platform
André van den Berg	Member of the Management Board/ Chief Commercial Officer

As per May 1, 2017, Mrs van der Meijs will succeed Mrs de Groot as Member of the Management Board / Chief Financial Officer.

The business address of each Management Board member is the address of RSG's principal executive office in the Netherlands.

It cannot be excluded that a conflict of interest may arise between the duties of Mr. Nijhuis and Mrs. De Groot as members of the Management Board of RSG and as members of the Board of Groupe ADP. However, RSG considers it unlikely that any such conflict of interest will occur. Moreover, internal rules are in place should such conflict arise.

There are no other (potential) conflicts of interest between the duties of each of the members of the Management Board and their private interests and/or other duties.

### **Supervisory Board**

In accordance with the Articles of Association of RSG, a non-executive Supervisory Board of not less than five and not more than eight persons supervises, appoints, advises and assists the Management Board, comprising the Chairman of the Management Board (also known as President and Chief Executive Officer), the Chief Operations Officer, the Chief Financial Officer and the Chief Commercial Officer, in the execution of its duties and management of the general affairs of RSG and Schiphol Nederland. The Supervisory Board members are appointed by the General Meeting of Shareholders upon nomination by the Supervisory Board itself.

The members of the Supervisory Board are as follows:



Louise J. Gunning-Schepers (Chair)	<p>Crown-appointed member of the Executive Board of the Netherlands Social and Economic Council</p> <p>Member of the Supervisory Board of Stichting VSB Fonds</p> <p>Member of the Management Board of Stichting VSB Vermogensfonds</p> <p>Member of the Supervisory Board of ONVZ</p> <p>Member of the Board of the Amsterdam University Fund</p> <p>Chair of the Board of Governors of the Prins Claus Chair</p> <p>Chair of the Scientific Advisory Board of the Aidsfonds</p>
Herman J. Hazewinkel (Vice Chairman)	<p>Chairman of the Supervisory Board of TKH Group N.V.</p> <p>Vice-Chair of the Supervisory Board of Koninklijke Boskalis Westminster N.V.</p> <p>Chair of the Supervisory Board of the Sociaal Werkvoorzieningschap Centraal Overijssel Soweco N.V.</p> <p>Chair of the Board of Stichting Continuïteit ASR Nederland</p> <p>Chair of Stichting Universiteitsfonds Twente</p> <p>Member of the Management Board of Stichting Administratiekantoor Slagheek</p> <p>Non-executive partner of Quadrum Capital B.V.</p>
Edward Arkwright	<p>Deputy CEO, Development and Engineering, Groupe ADP</p> <p>Member of the Supervisory Board of TAV Airport</p> <p>Chair of Hub One</p> <p>Board Member of SDA</p> <p>Board Member of Relay@adp</p>
Margot A. Scheltema	<p>Member of the Supervisory Board of De Nederlandsche Bank N.V.</p> <p>Member of the Supervisory Board of TNT Express N.V.</p> <p>Non-executive Director of Lonza Group Plc, Basel</p> <p>(Deputy) adviser to the Netherlands Enterprise Court at the Amsterdam Court of Appeal</p> <p>Member of the Supervisory Board of Warmtebedrijf Rotterdam</p> <p>Member of the Supervisory Board of World Press Photo</p> <p>Treasurer of Genootschap Onze Taal</p> <p>Chair of the Pension Funds Code Monitoring Committee</p> <p>Member of the Central Planning Committee</p>
Joop G. Wijn	<p>Member of the Managing Board of ABN AMRO Bank N.V. (until May 1, 2017)</p> <p>Member of the Supervisory Board of Koninklijke Jaarbeurs Utrecht B.V.</p> <p>Member of the Executive Board and Governing Board of the VNO-NCW Confederation of Netherlands Industry and Employers</p> <p>Member of the Supervisory Board of Stadsherstel Amsterdam</p> <p>Former Minister of Economic Affairs</p> <p>Former State Secretary of Finance</p> <p>Former State Secretary of Economic Affairs</p>
Robert Jan van de Kraats	<p>CFO and Vice-Chair of the Management Board of Randstad Holding N.V.</p> <p>Non-executive Director of the Board of Directors of OCI N.V.</p> <p>Member of the Corporate Governance Code Monitoring Committee</p>

Mikael Ohlsson Vice-Chair and member of the Board of Directors of Volvo Car Cooperation  
Non-executive Director of Tesco plc  
Member of the Supervisory Board of Ikano S.A.  
Member of the Board of Directors of Lindengruppen AB

Caroline Clarke CEO of Philips ASEAN Pacific

The business address of each Supervisory Board member is the address of RSG's principal executive office in the Netherlands.

It cannot be excluded that a conflict of interest may arise between the duties of Mr. Arkwright as a member of the Supervisory Board of RSG and as Executive Director of Groupe ADP. However, RSG considers it unlikely that any such conflict of interest will occur. In addition, internal rules are in place should such conflict arise.

It cannot be excluded that a conflict of interest may arise between the duties of Mr. Wijn as member of the Supervisory Board of RSG and as member of the Management Board of ABN Amro Bank N.V. However, RSG considers it unlikely that any such conflict of interest will occur. In addition, internal rules are in place should such conflict arise. Moreover, Mr Wijn will step down from the Managing Board of ABN AMRO Bank N.V. per May 1, 2017.

There are no other (potential) conflicts of interest between the duties of each of the members of the Supervisory Board and their private interests and/or other duties.

### **Subsidiaries and participations**

RSG has Schiphol Nederland B.V. as its main Subsidiary. The Issuers estimate that, as at December 31, 2016, Schiphol Nederland B.V. accounted for approximately 87% of RSG's assets, approximately 99% of RSG's revenues, approximately 55% (or, leaving out RSG's liabilities under the Programme, approximately 95%) of RSG's liabilities and approximately 85% of RSG's total equity (in each case on a consolidated basis). The remaining assets, revenues, liabilities and total equity of RSG are attributable to Schiphol International B.V., RSG's participation in Groupe ADP and RSG (unconsolidated). *These percentages are unaudited estimates from the Issuers which have been prepared based on RSG's audited consolidated financial statements and company financial statements and Schiphol Nederland B.V.'s unaudited internal financial statements.* For more information, see "*Description of Schiphol Nederland*".

In addition, RSG is the sole shareholder of Schiphol International B.V. and has an 8 per cent. cross-participation in Groupe ADP. These international activities account for a significant part of RSG's results.

*RSG's international activities.*

RSG has made airport-related investments in Australia, France, Hong Kong, Italy and the United States.

RSG, through its Subsidiary Schiphol International B.V., owning Schiphol USA Inc., is a 100 per cent. shareholder of John F. Kennedy International Air Terminal LLC which operates Terminal 4. Schiphol USA Inc. holds all class A shares and Delta Air Lines Inc all class B shares in John F. Kennedy International Air Terminal LLC.

Schiphol International B.V., through Schiphol Australia Pty Ltd., holds a 18.72 per cent. interest in Brisbane Airport Corporation Pty Ltd., which owns and operates Brisbane Airport in Australia.

In addition, Schiphol International B.V. is engaged in a strategic collaboration with Incheon Airport, conducts operations at the airports of Hong Kong and Aruba and has international activities in Italy.

### *Groupe ADP*

On December 1, 2008, RSG entered into an industrial cooperation with Groupe ADP. To reinforce their mutual commitment to the cooperation, Groupe ADP and RSG entered into an 8.00 per cent. cross-shareholding agreement, which includes positions in each other's non-executive boards. The cooperation, with the official title 'HubLink, leading airport alliance', aims to achieve strategic, tactical, operational and financial benefits to the partners through e.g., benchmarking, joint innovation and procurement, joint international development and joint lobbying. In existence now for 8 years, the cooperation has proven to generate clear benefits to both partners. Parties recently committed to continuing the cooperation in the next years.

## **Operations**

The principal activity of RSG is the management, operation and development of Amsterdam Airport Schiphol, as the main and international airport of the Netherlands, as a major gateway to Europe and as an AirportCity (i.e. a dynamic metropolitan area that aims to offer travellers, airlines and businesses all the services they need, 24 hours a day).

## **Business Areas**

The structure of RSG and its Dutch Subsidiaries (the "*Royal Schiphol Group*") comprises four business areas: Aviation, Consumer Products & Services, Real Estate and Alliances & Participations.

### *Aviation*

The business area Aviation provides services and facilities to airlines, travellers, handling agents and logistic service providers. The business area aims to support an efficient and high-quality passenger and cargo process. It is responsible for the provision of the check-in and security facilities, the design of the terminal, piers and gates, the development and management of the baggage system, management of the landing area, the maintenance of this infrastructure and the coordination of safety on platforms, roads and grounds and in the buildings. Revenues consist of airport charges (aircraft, passenger and security-related charges) and concession fees paid by oil companies for the supply of aircraft fuel. The activities of the business area Aviation take place, through Schiphol Nederland, at Amsterdam Airport Schiphol. For more information, see "*Description of Schiphol Nederland*".

### *Consumer Products & Services*

The primary aim of the business Area Consumer Products & Services is to enable passengers to travel care-free and comfortably. This business area grants concessions for shops, restaurants, services and entertainment and operates a number of shops and the car parks. It also creates opportunities to advertise. The activities of the business area Consumer Products & Services take place, through Schiphol Nederland, at Amsterdam Airport Schiphol. For more information, see "*Description of Schiphol Nederland*".

### *Real Estate*

The business area Real Estate develops and manages property on and around airports in the Netherlands and abroad. The business area offers companies and logistics service providers a variety of locations, offices and business premises and different types of rental contracts, with the special benefit of being in the immediate vicinity of an international airport. Of Royal Schiphol Group's property buildings portfolio, 93 per cent. is located at Amsterdam Airport Schiphol, 4 per cent. at and around the regional airports and 3 per cent. in France and Italy. The main sources of revenue are the rental and development of

buildings and land. Additional revenues are generated from granting leaseholds and from the sale of land and buildings.

The central objective of this business area is to develop real estate in AirportCities into dynamic, attractive and profitable locations - in the form of offices, commercial premises and logistics buildings - and creating a pleasant environment for hotel guests and other visitors.

### *Alliances & Participations*

This fourth business area focuses on the operation of regional airports and the development of international business activities. Like Amsterdam Airport Schiphol, the regional airports are developed in accordance with the AirportCity model through investments in real estate and the creation of an attractive range of shops, hotels and restaurants. For more information on regional airports, see “*Description of Schiphol Nederland*”.

Royal Schiphol Group also exports its AirportCity concept and operational expertise to airports abroad, thereby generating income and gaining new insights for the development of Amsterdam Airport Schiphol. Royal Schiphol Group collaborates closely with foreign airports which can strengthen its position. Royal Schiphol Group has set up partnerships for the joint development of innovative concepts and solutions, as well as for joint procurement initiatives (where possible).

Through participations in, and alliances and partnerships with, major airports in other countries, Royal Schiphol Group can continue to improve its products and processes and share knowledge with other airport operators, from which all parties involved may benefit. Royal Schiphol Group continues to investigate international opportunities. The main international activities of Royal Schiphol Group are focused on strengthening the competitive position of Amsterdam Airport Schiphol.

### **Strategy**

RSG aims to create sustainable value for its stakeholders, taking into account the different interests they have. Its actions revolve around its core values: reliability, efficiency, hospitality, inspiration and sustainability.

Royal Schiphol Group seeks to further develop Amsterdam Airport Schiphol as a high-quality hub and Europe’s preferred airport. In this light, Royal Schiphol Group has identified five long-term strategic themes: Top Connectivity, Excellent Visit Value, Competitive Marketplace, Development of Royal Schiphol Group and Sustainable and Safe Performance.

#### *Top Connectivity*

Amsterdam Airport Schiphol’s strength is its network of destinations served by the airlines. The majority of these are served by home carrier KLM and its partners. It is this intricate network that makes Amsterdam Airport Schiphol one of Europe’s key hubs. Royal Schiphol Group strives to expand the network, not only in Europe but intercontinentally as well, particularly by adding destinations that support Amsterdam Airport Schiphol. To continue developing Amsterdam Airport Schiphol, existing capacity will have to be used even more efficiently and new capacity will need to be created.

Royal Schiphol Group believes that accessibility is a key competitive strength of Amsterdam Airport Schiphol. In addition to the airport’s extensive network of worldwide destinations and the relatively high frequency at which major international airlines travel to these destinations via Amsterdam, the single terminal airport is well connected to main road and rail networks.

#### *Excellent Visit Value*

Royal Schiphol Group aspires to ensure Amsterdam Airport Schiphol’s position as Europe’s preferred airport: the first choice of passengers, airlines and logistics service providers. Top quality is Royal

Schiphol Group's aim: in its processes, facilities and commercial offerings. Policies will be guided by the interests of clients and passengers. Using new digital technologies, wherever possible, and offering users a digitally enabled airport will play an essential part in this.

### *Competitive Marketplace*

Royal Schiphol Group continues strengthening Amsterdam Airport Schiphol through further development of the airport marketplace, as a prime location for work and leisure. Royal Schiphol Group is continuously upgrading the working environment and offers flexible, innovative lease concepts. This model is called AirportCity 3.0. Royal Schiphol Group also supports the region's logistics sector and investigates opportunities for new business.

Royal Schiphol Group strives to further improve the competitive position of Amsterdam Airport Schiphol, not just as a mainport airport with a worldwide network but also as a multimodal hub in the Netherlands and as a driving force of the Dutch economy. To this end, Royal Schiphol Group works closely together with, and aims to provide optimal facilities to, airlines, including Amsterdam Airport Schiphol's home carrier.

### *Development of Royal Schiphol Group*

RSG is, together with its Subsidiaries, acting as a group. Its ability to do so depends to an important degree on improving Royal Schiphol Group organisation. Royal Schiphol Group is implementing the HPO ('high performance organisation') culture and coordinates major projects more comprehensively than before. Royal Schiphol Group will also make more efficient use of the synergy within the airport network: it wants to make the most of the interplay between Amsterdam Airport Schiphol, the regional airports and Royal Schiphol Group's international activities. Royal Schiphol Group is seeking to expand its international activities, particularly with airports with strategic relevance for Amsterdam Airport Schiphol.

### *Sustainable and Safe Performance*

Sustainability and safety are key preconditions in Royal Schiphol Group's activities – they play a permanent, integral part in all decisions. Maintaining a healthy and safe working environment for staff and safe surroundings for passengers and nearby residents is a top priority. For Royal Schiphol Group, sustainability means maintaining its focus on long-term developments and seeking to create lasting value which cannot succeed without dialogue with its stakeholders. Royal Schiphol Group seeks a careful balance between the social, environmental, commercial and financial interests of people, planet and profit. Royal Schiphol Group aims to realise a reasonable return: its financial policy is solid and forward-looking.

## **Recent Developments and Key Issues**

For recent developments and key issues pertaining to Schiphol Nederland B.V., see "*Description of Schiphol Nederland*".

### *Real estate investments in Italy*

Royal Schiphol Group has, through Schiphol International B.V., invested in commercial real estate near Milan Malpensa Airport in Italy. Two projects can be distinguished: Avioport Logistics Park and Villa Carmen. As from July 2014, RSG is the 100 per cent. indirect shareholder/owner of Avioport Logistics Park.

A deterioration in market conditions in 2015 led to a reduction in fair value of the Italian real estate activities of EUR 7.8 million. In 2016, Royal Schiphol Group recorded a further reduction in fair value of the Italian real estate activities of EUR 6.6 million.

It cannot be excluded that current economic circumstances may lead to a (further) reduction in the value of the real estate. Assessment will be part of the regular half year and year end real estate reviews and any movements will be accounted for in the consolidated profit and loss account of RSG.

#### *Corporate income tax*

The effective income tax rate in 2016 of 21.6% is 0.9% higher than the 2015 effective income tax rate of 20.7%. Both are lower than the domestic income tax rate of 25%. The lower tax burden in both years is mainly attributable to the application of the participation exemption to the results of associates. In addition, the one-off effect of the sale of SAR in 2015 for 50 million euros is exempted and reduced the tax burden. Without the participation exemptions the tax burden for 2016 amounted to 26% (2015: 26%).

The tax burden is increased due to non-off settable income tax on impairment losses of 7 million euros (2015: 8 million euros) which originated in Italian companies, among others. The amount in offsettable losses for which no deferred tax asset is recognised is 35 million euros (2015: 28 million euros).

#### *Legal Proceedings*

Currently, a limited number of legal proceedings in which Royal Schiphol Group is involved are pending. The most important disputes are described in “*Description of Schiphol Nederland – Recent Developments and Key Issues*”. In its consolidated balance sheet as at December 31, 2016, RSG took a provision of EUR 10 million in respect of the exposure resulting from its legal proceedings. This provision has remained unchanged since 2004.

#### **Material Contracts**

RSG has not entered into material contracts outside the ordinary course of business.

## DESCRIPTION OF SCHIPHOL NEDERLAND

### Introduction

Schiphol Nederland B.V. (“*Schiphol Nederland*”) was incorporated on December 28, 2001 and came into existence on the consummation of the de-merger (*afsplitsing*) of RSG (the “*De-merger*”). Schiphol Nederland operates as a sub-holding company with limited liability under Dutch law. Schiphol Nederland is registered in the trade register at the Chamber of Commerce of Amsterdam under number 34166584. Schiphol Nederland has its corporate seat in Schiphol, Municipality of Haarlemmermeer, the Netherlands and has its registered address at Evert van de Beekstraat 202, 1118 CP Schiphol, the Netherlands, telephone: +31 20 601 9111. The Articles of Association are contained in the notarial deed relating to the De-merger, which was executed on December 27, 2001.

Pursuant to the De-Merger, RSG transferred all its domestic business to Schiphol Nederland (including, but not limited to, its interests relating to Amsterdam Airport Schiphol and its shares in Dutch domestic airports).

### Capitalisation and Shareholders

RSG holds 100 per cent. of the issued shares in Schiphol Nederland.

The authorised share capital of Schiphol Nederland is EUR 750 million, comprising 750 million ordinary registered shares of par value EUR 1 each. As of December 31, 2016 a total of 150 million ordinary registered shares had been issued, all of which are fully paid.

Notwithstanding its indirect government ownership, Schiphol Nederland is a (financially) independent commercial enterprise servicing financial commitments from cash flows generated primarily by its ownership of Amsterdam Airport Schiphol, with no sovereign guarantee.

### Management Board

RSG has been appointed as the sole Managing Director of Schiphol Nederland.

The business address of the sole Managing Director is the address of Schiphol Nederland’s principal executive office in the Netherlands.

There are no potential conflicts of interest between the duties of the sole Managing Director and its other interests and/or other duties.

### The Royal Schiphol Group airports

Royal Schiphol Group includes Amsterdam Airport Schiphol and has an interest in three other domestic airports: Rotterdam The Hague Airport (100% shareholding), Eindhoven Airport (51% shareholding) and Lelystad Airport (100% shareholding), all directly or indirectly held by Schiphol Nederland. Although Eindhoven Airport and Lelystad Airport develop and maintain their own market positions, they also play a crucial role in the management of the expected growth of mainport Schiphol.

### Business Area’s

Schiphol Nederland’s organisation reflects Royal Schiphol Group’s business area structure comprising four business areas: Aviation, Consumer Products & Services, Real Estate and Alliances & Participations.

## *Aviation*

One of this business area's most important operational objectives is to maintain Amsterdam Airport Schiphol's competitive standing as a mainport. To further its role as a mainport, Amsterdam Airport Schiphol must continue to offer a large network of destinations with frequent connections. Achieving this requires a large volume of passengers, cargo and air transport movements and better connectivity relative to other major airports in Europe. Connectivity is a combination of the total number of destinations served, flight frequency and the ease with which passengers can make a connection.

Serving travellers, airlines, handling agents and logistic services providers alike, the Aviation business area has a pivotal role at Amsterdam Airport Schiphol. Aviation supplies and manages the infrastructure that is required to ensure pleasant, reliable and efficient arrival and departure processes for travellers, baggage and cargo. It is responsible for coordinating safety in the terminal, on aprons and roads and in areas and buildings on airside.

## *Consumer Products & Services*

The primary drivers for the Consumer Products & Services business area are the number of passengers using Amsterdam Airport Schiphol and the average spend per passenger. The resulting revenues are non-regulated and encompass retail sales, concession income, car parking fees, rents, advertising and media revenues and other income and management fees.

The Consumer Products & Services business area works with partners to create unique experiences for travellers, with a surprising range of shops, catering outlets and services. It also uses innovative online and offline media concepts to reach and inform travellers. Offering a variety of parking products and premium services such as Privium and the VIP Centre, this business area facilitates a carefree and comfortable travel process.

## *Real Estate*

Insofar as Schiphol Nederland is concerned, the business area Real Estate develops and manages property on and around airports in the Netherlands. The portfolio comprises both operational and commercial real estate that, for the most part, is located on and around Amsterdam Airport Schiphol. Approximately five hundred companies with a total of approximately 65,000 employees are located at the AirportCity of Amsterdam Airport Schiphol.

## *Alliances & Participations*

The business area Alliances & Participations is concerned with the operation of regional airports and the development of international business activities. Like Schiphol itself, the regional airports are developed according to the AirportCity concept through investments in real estate and the creation of an attractive range of shops, hotels and restaurants. The three regional Dutch airports are: Rotterdam The Hague Airport (1.64 million passengers in 2016; wholly owned by Royal Schiphol Group since 1989), Eindhoven Airport (4.7 million passengers in 2016; 51 per cent. owned by Royal Schiphol Group since March 1998) and the general aviation airport of Lelystad (wholly owned by Royal Schiphol Group since 1993). Rotterdam and Eindhoven, and Lelystad Airport as from April 2019, cater for select scheduled and charter airline services to European destinations. The regional airports mainly contribute to the revenue in the form of airport and parking charges. Alliances & Participations is also responsible for other activities, such as Schiphol Telematics B.V. (providing telecom services to companies).

## **Strategy**

Schiphol Nederland contributes to the strategy of Royal Schiphol Group. For more information, see "*Description of RSG – Strategy*".

## **Recent Developments and Key Issues**



## *Capital investment programme and Master Plan*

In 2016, the number of air transport movements at Amsterdam Airport Schiphol was approximately 479,000 carrying 63.6 million passengers. Royal Schiphol Group must safeguard the capacity and quality of its main airport Amsterdam Airport Schiphol in the long term in order to facilitate future growth and continue to serve airlines with optimal efficiency in the next ten to fifteen years. As a result of the rising air traffic, pressure on the operating capacity is increasing. If Royal Schiphol Group fails to act, the quality and attractiveness of the third largest airport (in 2016) in Europe in terms of passengers may come under pressure, and Amsterdam Airport Schiphol and therefore also the Netherlands may potentially lose valuable connections. To address this, Royal Schiphol Group is, following consultation with relevant airlines, making substantial infrastructural investments and has prepared a Master Plan for development over the next ten to fifteen years. To support and ensure continued growth, the airport facilities will undergo extensive expansion and renewal in the years ahead. This is intended to enable Royal Schiphol Group to keep pace with market growth, offer required extra capacity, bring quality to a higher level and further optimise processes.

The investment programmes present Royal Schiphol Group with multiple challenges, not only operationally and financially (as set out in the risk factors "*Investment risk*" and "*(Re-)Financing risk*"), but also with respect to the safety of Amsterdam Airport Schiphol, which may come under pressure as a result of its expansion. In April 2017, the Dutch Safety Board (*Onderzoeksraad voor Veiligheid*) presented a report in this respect, concluding that further growth of Amsterdam Airport Schiphol will require more than marginal adjustments to its existing safety policy.

Planned investments in the coming years may include real estate projects, taxiways, aprons and piers, terminal capacity, security, fire protection and further upgrading of baggage handling systems. In view of the geopolitical and economic uncertainties, investment programmes will be carefully monitored and temporised if necessary. The investment programme, if fully undertaken as included in some scenarios under consideration, may have an impact on the capital structure.

The development of Area A, which includes the structural expansion of the terminal by development of a new pier and a new terminal, is the next step in Royal Schiphol Group's modular Master Plan approach. In early 2016, final decisions were made regarding the development of a new pier and terminal. This expansion in capacity is vital for Amsterdam Airport Schiphol to consolidate its competitive position, and bolsters the airport's socio-economic function. The new pier and terminal represent a structural solution for the growing need for capacity and quality. Royal Schiphol Group expects that the investment will help it implement its strategy of continuing to offer passengers and airlines top connectivity combined with a top-notch visitor experience.

The pier is planned to be completed in two phases. Royal Schiphol Group strives to complete the first phase, covering the largest section of the pier, towards the end of 2019. In order to accommodate the growth in passenger numbers, a new terminal, directly connected to the existing terminal building, will be built. The new terminal is scheduled for completion in 2023. The landside infrastructure will be adapted to accommodate all expansions.

In April 2014, Royal Schiphol Group outlined its plan to develop Lelystad Airport for commercial airline operations. This development includes investments in a runway and taxiways, terminal capacity and parking facilities to allow Lelystad Airport to eventually facilitate a maximum of 45,000 air transport movements per year by 2043 (business case scenario). The total amount of the investment program is currently estimated at EUR 90 million and the expected opening is scheduled for 2019. Royal Schiphol Group has submitted its business plan to the Ministry of Infrastructure and the Environment as part of the Airport Decree (*Luchthaven Besluit*) application which was granted and published in the Dutch Bulletin of Acts, Orders and Decrees at the end of March 2015.

## *Evaluation of the Aviation Act and airport charges*

On July 19, 2006, amendments to the Aviation Act and a related decree entered into force whereby airport charges are now set based on a "dual till" model in which "aviation" activities, which are regulated, are separated from the "non-aviation" activities, which are not regulated. The allocation system

that describes the allocation of assets was approved by the ACM for the first time on April 25, 2007. On June 22, 2010, the ACM approved the updated allocation system which has been applicable as of 2011. In July 2015, the ACM approved the allocation system for the period 2016-2018.

In 2009, the Ministry of Infrastructure and the Environment started its periodic evaluation of the Aviation Act. The evaluation resulted in a legislative proposal to amend the Aviation Act which was approved by Parliament in 2016.

The amendment will change, *inter alia*, the existing economic regulation, impacting the airport charges at Amsterdam Airport Schiphol, and will likely come into force on July 1, 2017. If this is the case, the airport charges will be subject to this new regulation from 2019 onwards.

One key change concerns the period for which airport charges will be set. Currently this is one year, but the amendment changes the period to three years with an exception for security charges that can be adjusted in the interim. Setting airport charges for a multiple year period is expected to ensure more stable and predictable levels, benefiting both airlines and Royal Schiphol Group.

The existing hybrid dual-till system continues to exist in the future. However, the amendment will replace the current system of voluntary contributions currently applied by Royal Schiphol Group by a mandatory contribution from non-aviation activities. The underlying principle is that Royal Schiphol Group should be able to achieve a benchmark return over the three-year period, should remain capable of independently funding its own operations at acceptable credit conditions and must retain a Single A credit rating. In determining the mandatory contribution, aspects such as Amsterdam Airport Schiphol's competitive position and current market conditions are expected to also be taken into account.

The amendment introduces an efficiency incentive for major investment projects. In the event of budget overruns during the implementation of a major investment project, additional costs incurred during the rate period concerned will be borne by Royal Schiphol Group; if the costs of implementation prove to be lower, the resulting cost advantage will be equally distributed between the airlines and Royal Schiphol Group.

Other amendments to the law relate to improving the consultation process, periodic reporting on quality and efficiency, the procedure for setting off differences in previous years and the way the regulated WACC will be determined.

From April 1, 2016, the airport charges at Amsterdam Airport Schiphol decreased by 11.6 per cent. Following a constructive consultation with the airlines, the airport charges further decreased from April 1 2017 by on average 7.1 per cent.

#### *Chipshol litigation and investigation*

In 2003, legal proceedings were initiated against Schiphol Nederland by the owner of the so-called Groenenberg site (Chipshol) for alleged losses resulting from the imposition of a ban on real estate development of the site. On February 19, 2010, after several years of litigation and factual developments, the Supreme Court ruled that Chipshol as the beneficial owner is entitled to receive compensation from Schiphol Nederland for the damages, in particular the loss of value of the land. It was also ruled that Schiphol Nederland is entitled to compensation from Chipshol for the possible increase in the value of the land resulting from lifting the development ban. In conclusion, the earlier judgment pronounced by the Court of Haarlem stating that Schiphol Nederland is required to pay Chipshol compensation amounting to EUR 16 million was set aside. Therefore, the case will again be heard by the Appeal Court of Amsterdam. The Appeal Court of Amsterdam will have to amongst other things examine whether Schiphol Nederland's obligation to pay compensation should be reduced and whether the compensation claimed by Chipshol has already been (partially) paid as a consequence of the settlements effected with the province of North-Holland and the municipality of Haarlemmermeer. Also, it will have to be examined what impact the possible value increase resulting from lifting the development ban will have on the compensation to be paid by Schiphol Nederland.

The case is pending before the Appeal Court: the Appeal Court gave an interim ruling which has

been appealed by Chipshol before the Supreme Court. A ruling by the Supreme Court is not expected before the end of this year. Only after this ruling, the Appeal Court will further proceed with the case.

### *Contamination*

In July 2008, the Rijnland Water Board (“*Rijnland*”) collected contaminated extinguishing water released during an incident at a KLM hangar in Schiphol Southeast and stored the water in basins made available by Schiphol Nederland. Rijnland had been granted a permit for this purpose by the province of North- Holland. In spite of the removal and purification of the contaminated extinguishing water in 2009, it was later discovered that the soil and groundwater at the location of the basins had been contaminated. As the owner of the land concerned, Schiphol Nederland suffered damage as a result of the contamination. Rijnland removed the sludge from the basins in 2011, as a result of which no further contamination is taking place through the soil. Rijnland, KLM and Schiphol Nederland in 2012 took control measures aimed at preventing the further spread of contamination through groundwater by placing a screen around the contaminated area. Monitoring has shown that the screen is working adequately. An investigation aimed at finding a final solution was launched in 2014.

The watercourses at Amsterdam Airport Schiphol that were contaminated during this incident will be cleaned up within the framework of the regular dredging programme. The additional costs incurred on top of the regular dredging programme for the transport and processing of the contaminated material will be charged to KLM. The water purification company Evides is taking measures in consultation with the municipality of Haarlemmermeer to deal with the technical facilities, soil and groundwater that were also likewise contaminated by this incident. Evides has contacted Schiphol Nederland and KLM to discuss further action to manage the contamination. Consultations with the competent authorities were started at the end of 2013 with the aim to check the plan against laws and regulations.

To protect the quality of the surface water in the ditch next to the waste water purification plant, Rijnland has instructed Evides, KLM and Schiphol Nederland to take measures. These measures comprise the decontamination of the water bottom where necessary and the installation of a geohydrological control system on the site. The plans are being implemented at present. The amount of damage for Schiphol Nederland is yet to be determined and fully depends on the outcome of the discussions. Currently there are no developments that are expected to change the liability position of Schiphol Nederland in this case.

### *Regulation, noise management and long term growth*

In 2003, the amended Aviation Act came into force and included a system of noise regulation. Operations at Amsterdam Airport Schiphol must remain within the annual allowable noise limit as well as within limits established by the regulation at each individual “enforcement point”. The noise limits were based on a scenario developed in 2001 for the expected runway usage in the period 2005-2010. However, the aviation sector has not developed as foreseen, resulting in breaches of the noise limits at some enforcement points whilst there is considerable “unused” noise capacity at other enforcement points.

In December 2006, the government established a consultative body, formerly called the “Alders Platform”, currently “ORS”, under the direction of Hans Alders, former governor of the province of Groningen, charged with determining how Amsterdam Airport Schiphol can grow in the short (to 2010) and medium (2020) term within the established environmental constraints while reducing annoyance. The parties taking part in the consultative process include the aviation sector, the government, the province, the local municipalities and local residents’ organisations.

In 2008 Royal Schiphol Group reached agreements with the participants at the Alders Platform on measures to limit nuisance, noise related and otherwise, on the development of Amsterdam Airport Schiphol in the medium term and on measures to improve the liveability in the surrounding region.

One agreement concerns conducting an experiment to assess a new noise enforcement system. In August 2010, the Alders Platform presented a new system to the Cabinet as part of its recommendations. The Cabinet and The House of Representatives (*Tweede Kamer der Staten Generaal*) adopted this

recommendation and the experiment was subsequently launched on November 1, 2010. The new noise system is based around the principle that runways causing the least amount of annoyance will be used as often as possible. Growth is permitted but maximum annoyance is limited and shall be less than or equal to that under the current system. The new system was piloted for a period of two years until October 31, 2012, after which the Alders Platform evaluated the experiment. Following this evaluation, the Alders Platform reached agreement on a new system of environmental standards in October 2013. In January 2015, Royal Schiphol Group reached an agreement under which Amsterdam Airport Schiphol will have limited room for growth until 2020, with the maximum traffic volume being 500,000 air transport movements a year.

The final agreement includes:

- Amsterdam Airport Schiphol is allowed to grow to 500,000 air transport movements per year until 2020, including a night-flight-limit of 32,000 between 23:00 and 7:00; and
- non-mainport traffic in excess of the above level shall be relocated to regional airports (approximately 70,000 air transport movements in total).

This agreement was submitted to the State Secretary for Infrastructure and the Environment. The new system of environmental standards will be implemented in Dutch law and is expected to become effective November 2017.

In 2017, the intention is to come to a framework agreement with respect to the growth of Amsterdam Airport Schiphol from 2020 onwards.

Royal Schiphol Group believes that noise management is the key factor in providing capacity increases at Amsterdam Airport Schiphol. Amsterdam Airport Schiphol uses a range of measures to manage noise effectively, including higher tariffs for noisier aircraft and for night-time take-offs and landings, incentives such as tariff discounts for the utilisation of less noisy aircraft, regular consultation with air traffic control to ensure optimal runway configuration (which affects the distribution of noise at various enforcement points at and around the airport) and approach and landing procedures and physical planning at the airport site.

### *Financing*

In 2016, the total amount of consolidated outstanding loans and lease liabilities of Royal Schiphol Group decreased from 2.185 million to approximately EUR 2.065 million.

Royal Schiphol Group attaches great importance to liquidity and has attracted bank facilities in the amount of EUR 575 million that have not yet been drawn. Of these facilities, an amount of EUR 300 million is available until June 2022 and an amount of EUR 100 million until January 1, 2020. The remaining EUR 175 million is available until March 2021.

### *Slot co-ordination*

Amsterdam Airport Schiphol has been fully slot-co-ordinated since 1998. Based on the number of air transport movements, determined in an operational plan, Royal Schiphol Group indicates to the slot co-ordinator the number of slots to be allocated to the airlines. Slot co-ordination is a neutral, transparent and non-discriminatory system for allocating the right to land or depart at a specified time and therefore creates a mechanism to allocate the available noise allowance within the established noise zones. The slot co-ordinator is an independent organisation that distributes the available slots based on EC legislation and International Air Transport Association principles.

## *Security*

Security has become an increasingly important aspect of the airport business. Regulation governing airport security has evolved rapidly over the past decade on all levels: internationally, within the EU, and in the Netherlands.

Since 2004, RSG and Schiphol Nederland as airport operators have been charged by the Ministry of Justice to carry out preventative security duties at, respectively, Amsterdam Airport Schiphol and the other Royal Schiphol Group airports. This includes the screening of passengers, cabin baggage, hold baggage, personnel and the goods they carry, additional measures for high risk flights, internal company security, access control to all secure areas, and perimeter control. In addition, Royal Schiphol Group must accommodate and provide facilities (supply of space, passes, security facilities, etc.) to the Dutch Government in its security-related activities (airport police, customs and immigration) at Royal Schiphol Group airports.

The costs associated with the Royal Schiphol Group's security duties are passed on to users via a security services charge per passenger. These costs fall under the economic regulatory framework. See "*Evaluation of the Aviation Act and airport charges*" above.

The Ministry of Justice has ultimate responsibility for regulating security requirements at Amsterdam Airport Schiphol and has the power to impose security measures.

The risk pertaining to the involvement of RSG and Schiphol Nederland, as the designated airport operators of the Royal Schiphol Group airports, in these activities is the exposure to potential civil liability claims which may result in liability of RSG and Schiphol Nederland. Royal Schiphol Group takes out insurance against these risks and although markets for liability insurance coverage for acts of war and terrorism have never fully recovered from their collapse following the events of September 11, 2001, market capacity has been steadily increasing over the past several years. In addition, the Dutch Government will indemnify RSG and Schiphol Nederland for third party liabilities due to acts of terrorism in respect of aviation security tasks in the Netherlands for damages which exceed the amount which can reasonably be insured in normal insurance markets.

## *Environment*

Royal Schiphol Group reports, as part of RSG's Annual Report, its non-financial performance and disclosures, in particular in the area of Corporate Responsibility. Almost all the Corporate Responsibility reporting relates to policies implemented by, and activities within, the Schiphol Nederland entity and is externally reviewed (Global Reporting Initiative and complies with level G4 Core). It contains Corporate Responsibility disclosure including performance measurements and environmental and community policy decisions and activities, for such issues as noise, air quality, soil, water, energy and waste.

Royal Schiphol Group has, in relation to Amsterdam Airport Schiphol, created its own environmental management system.

### **403 Declaration and RSG Guarantee**

As part of the De-merger a so-called 403 Declaration was filed by RSG with the trade register pursuant to Section 2:403 of the DCC ("*Section 403*") in respect of Schiphol Nederland. In general, Section 403 provides an exemption from the requirement on Dutch subsidiary companies to prepare full and complete published audited annual accounts. In order to qualify for this exemption, the following requirements, *inter alia*, had to be fulfilled: (a) the financial information of Schiphol Nederland had to be consolidated into the audited and published accounts of RSG; (b) RSG had to issue a declaration in accordance with Section 403 ("*403 Declaration*") in writing that it assumes joint and several liability for the obligations of Schiphol Nederland, which resulted from legal acts performed by Schiphol Nederland; and (c) the 403 Declaration had to be filed with the trade register together with the audited consolidated financial statements of RSG. The requirements set out in Section 403 have been satisfied and

therefore it will not be necessary for Schiphol Nederland to prepare any audited or published accounts subject to the following paragraph.

RSG is entitled, in accordance with Section 403, to terminate the joint and several liability pursuant to Section 403 by filing a declaration to this effect with the trade register. Upon such document being filed, RSG will not be jointly and severally liable for any liabilities resulting from legal acts entered into by Schiphol Nederland after the date of such filing and Schiphol Nederland will then be obliged to prepare and make public audited annual accounts. As for the liabilities resulting from legal acts entered into by Schiphol Nederland before the date of such filing, RSG will remain jointly and severally liable until (i) Schiphol Nederland no longer forms part of Royal Schiphol Group, (ii) a notice of the intention to terminate has been available for inspection with the trade register for two months, (iii) two months have passed since an announcement has been published in a national newspaper stating that the notice referred to in (ii) above is available for inspection at the trade register, and (iv) no creditor has filed an opposition within the permitted time, or where such opposition has been filed, it has been withdrawn or declared unfounded by final court judgment.

Notwithstanding a termination of the 403 Declaration as described above, in respect of the Notes issued by it under the Programme, Schiphol Nederland will continue to have the benefit of an unconditional and irrevocable guarantee from RSG under the RSG Guarantee.

## CONSOLIDATED FINANCIAL INFORMATION OF RSG

The following financial information has been extracted without material adjustment from the audited consolidated financial statements of Royal Schiphol Group N.V. (“RSG”) for each of the years ending December 31, 2016 and December 31, 2015, set out in the financial statements of RSG for 2016 as filed with the Chamber of Commerce on April 19, 2017.

The audited consolidated financial statements of RSG have been prepared in accordance with IFRS.

### CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDED DECEMBER 31, 2016 AND DECEMBER 31, 2015

(in thousands of euros)	2016	2015
<b>Revenue</b>	<b>1,434,675</b>	1,423,152
Other income and results from investment property	<b>71,390</b>	66,687
Other income		49,847
<b>Other income and results from investment property</b>	<b>71,390</b>	116,534
Cost of outsourced work and other external costs	<b>660,531</b>	616,233
Employee benefits	<b>184,523</b>	184,695
Depreciation, amortisation and impairment	<b>238,115</b>	230,305
Other operating expenses	<b>2,579</b>	3,507
<b>Total operating expenses</b>	<b>1,085,748</b>	1,034,740
<b>Operating profit</b>	<b>420,317</b>	504,946
Financial income	<b>8,931</b>	9,936
Financial expenses	<b>-99,536</b>	-98,490
<b>Financial income and expenses</b>	<b>-90,605</b>	-88,554
Share of results of equity-accounted associates and joint ventures	<b>67,485</b>	60,474
<b>Profit before income tax</b>	<b>397,197</b>	476,866
Income tax	<b>-85,962</b>	-98,510
<b>Profit</b>	<b>311,235</b>	378,356
Attributable to:		
<b>Non-controlling interests</b>	<b>4,979</b>	4,193
<b>Shareholders (net result)</b>	<b>306,256</b>	374,163
<b>Earnings per share (in euros)</b>	<b>1,645</b>	2,010

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEARS ENDED  
DECEMBER 31, 2016 AND DECEMBER 31, 2015**

(in thousands of euros)	2016	2015
<b>Cash flow from operating activities</b>		
Cash flow from operations	555,544	638,727
Paid income tax, interest and dividends received	-117,349	-130,986
<b>Cash flow from operating activities</b>	<b>438,195</b>	507,741
<b>Cash flow from investing activities</b>	<b>-301,367</b>	-410,626
<b>Free cash flow</b>	<b>136,828</b>	97,115
<b>Cash flow from financing activities</b>	<b>-323,399</b>	156,956
<b>Net cash flow</b>	<b>-186,571</b>	254,071
Opening balance of cash and cash equivalents	437,308	183,253
Net cash flow	-186,571	254,071
Exchange and translation differences	30	-16
<b>Closing balance of cash and cash equivalents</b>	<b>250,767</b>	437,308
Cash and cash equivalents from continuing operations	238,691	394,045
Cash equivalents other receivables	0	40,000
Cash and cash equivalents held for sale	12,076	3,263
	<b>250,767</b>	437,308



## FACTS AND FIGURES OF AMSTERDAM AIRPORT SCHIPHOL

### Introduction

The current site of Amsterdam Airport Schiphol has functioned as an airport since 1916. In 2016, 63.6 million passengers used Amsterdam Airport Schiphol, there were approximately 479,000 air transport movements and 1.7 million tonnes of cargo were transported through the airport. Within Europe, Amsterdam Airport Schiphol is the third largest airport for passenger movements and third largest in terms of volume in freight operations (in 2016).

Amsterdam Airport Schiphol is situated in the heart of the Dutch “*Randstad*” (i.e. an area including Amsterdam, The Hague, Utrecht, and Rotterdam that has approximately five million residents). RSG, as airport operator, estimates that the catchment area (defined as the area within a two hour drive of Amsterdam Airport Schiphol) of the airport covers approximately 35 million people in the Netherlands, Germany and Belgium.

Trains stop directly under the terminal in the country’s fifth largest train station in terms of the number of passengers, with direct service to major domestic cities as well as several international destinations. The airport is also positioned at the crossroads of major North-South and East-West motorways. By train or car, the airport is approximately 15 minutes from Amsterdam and 45 minutes from Rotterdam.

### The Amsterdam Airport Schiphol grounds:

2,787 hectares.

### Runway system

Five main runways each of at least 3,300 metres providing an estimated runway capacity of 600,000 take-offs and landings per year (subject to environmental constraints).

<b>Aircraft stands:</b>		<b>Number of Parking spaces for cars:</b>	
Passenger Stands.....	94	Passengers/visitors .....	22,563
Buffer Stands .....	84	Employees working at Amsterdam	
Cargo Stands.....	19	Airport Schiphol .....	15,086
Schiphol Oost .....	28		
<b>Total.....</b>	<b>225</b>	<b>Total .....</b>	<b>37,649</b>

### Transport movements (Number of takeoffs and landings)

2016 .....	478,864	2007.....	435,973
2015 .....	450,679	2006.....	423,122
2014 .....	438,296	2005.....	404,594
2013 .....	425,565	2004.....	402,738
2012 .....	423,407	2003.....	392,997
2011 .....	420,249	2002.....	401,385
2010 .....	386,316	2001.....	416,462
2009 .....	391,264	2000.....	414,928
2008 .....	428,332		

**Number of passenger movements  
(including transit-direct passengers)**

2016	63,625,534
2015 .....	58,284,864
2014 .....	54,978,023
2013 .....	52,527,699
2012 .....	51,035,590
2011 .....	49,755,252
2010 .....	45,211,749
2009 .....	43,570,370
2008 .....	47,430,019
2007 .....	47,794,994
2006 .....	46,066,050
2005 .....	44,163,098
2004 .....	45,541,180
2003 .....	39,960,400
2002 .....	40,736,009
2001 .....	39,531,123
2000 .....	39,606,925

**Number of passenger movements at Amsterdam Airport Schiphol in 2016 divided per region  
(compared to 2015)**

<b>Region</b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>%</u></b>
Europe .....	45.1 million	40.7 million	10.9%
North America .....	6.2 million	6.0 million	3.7%
Central & South America .....	2.9 million	2.7 million	8.0%
Africa.....	2.6 million	2.6 million	-1.8%
Middle East.....	2.2 million	1.9 million	18.3%
Far East.....	4.5 million	4.3 million	3.9%
<b>Total.....</b>	<b>63.6 million</b>	<b>58.3 million</b>	<b>9.2%</b>

**Cargo (Tonnes)**

2016 .....	1,662,282
2015 .....	1,620,970
2014 .....	1,633,195
2013 .....	1,531,089
2012 .....	1,483,448
2011 .....	1,523,806
2010 .....	1,512,256
2009 .....	1,286,372
2008 .....	1,567,712
2007 .....	1,610,282
2006 .....	1,526,501
2005 .....	1,499,855
2004 .....	1,421,023
2003 .....	1,306,155
2002 .....	1,239,900
2001 .....	1,183,208
2000 .....	1,222,594

### Ranking ten largest European airports (Air transport movements) (x1000)

	<u>2016</u>	<u>2015</u>	<u>% change</u>
1 Amsterdam .....	479	451	6.2%
2 London Heathrow .....	473	472	0.2%
3 Paris Ch. De Gaulle .....	473	469	0.9%
4 Frankfurt.....	453	457	0.9%
5 Istanbul Atatürk.....	449	448	0.2%
6 Madrid Barajas.....	377	366	3.0%
7 Munich.....	374	360	3.9%
8 Rome Fiumicino.....	311	312	0.3%
9 Barcelona .....	305	286	6.6%
10 London Gatwick.....	279	266	4.9%

### Passenger movements (excluding transit direct passengers counted once) (x1000)

	<u>2016</u>	<u>2015</u>	<u>% change</u>
1 London Heathrow.....	75,676	74,959	1.0%
2 Paris Ch. De Gaulle .....	65,869	65,707	0.2%
3 Amsterdam.....	63,534	58,246	9.1%
4 Frankfurt.....	60,686	60,907	-0.4%
5 Istanbul .....	60,244	61,323	-1.8%
6 Madrid .....	50,354	46,828	7.5%
7 Barcelona .....	44,121	39,711	11.1%
8 London Gatwick.....	43,136	40,268	7.1%
9 Munich.....	42,173	40,853	3.2%
10 Rome Fiumicino.....	41,569	40,231	3.3%

### Air cargo (x1,000 tonnes)

	<u>2016</u>	<u>2015</u>	<u>%</u>
1 Frankfurt.....	2,029	1,993	
2 Paris Ch. de Gaulle .....	1,953	1,861	
3 Amsterdam .....	1,662	1,621	
4 London Heathrow.....	1,541	1,497	
5 Leipzig.....	1,048	984	
6 Luxembourg .....	802	743	
7 Istanbul .....	783	738	
8 Cologne/Bonn .....	771	749	
9 Liège.....	661	651	
10 Malpensa .....	537	500	

**Financial results for Royal Schiphol Group (in millions of €)**

<u>Year</u>	<u>Net Profit</u>	<u>Turnover</u>
2016	306	1,435
2015	374	1,423
2014	272	1,438
2013	227	1,364
2012	198	1,353
2011	195	1,278
2010	169	1,180
2009	133	1,154
2008	187	1,154
2007	316	1,146
2006	527	1,037
2005	193	948

## TAXATION

### DUTCH TAXATION

*This summary solely addresses the principal Dutch tax consequences of the acquisition, ownership and disposal of Notes issued on or after the date of this Prospectus and does not purport to describe every aspect of taxation that may be relevant to a particular holder. Tax matters are complex, and the tax consequences of the offering to a particular holder of Notes will depend in part on such holder's circumstances. Accordingly, a holder is urged to consult his own tax adviser for a full understanding of the tax consequences of the offering to him, including the applicability and effect of Dutch tax laws.*

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this summary the terms “the Netherlands” and “Dutch” are used, these refer solely to the European part of the Kingdom of the Netherlands.

This summary is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this Prospectus. The tax law upon which this summary is based, is subject to changes, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

The summary in this Dutch taxation paragraph does not address the Dutch tax consequences for a holder of Notes who:

- (i) is a person who may be deemed an owner of Notes for Dutch tax purposes pursuant to specific statutory attribution rules in Dutch tax law;
- (ii) is, although in principle subject to Dutch corporation tax, in whole or in part, specifically exempt from that tax in connection with income from Notes;
- (iii) is an investment institution as defined in the Dutch Corporation Tax Act 1969;
- (iv) owns Notes in connection with a membership of a management board or a supervisory board, an employment relationship, a deemed employment relationship or management role; or
- (v) has a substantial interest in the relevant Issuer or a deemed substantial interest in the relevant Issuer for Dutch tax purposes. Generally, a person holds a substantial interest if (a) such person – either alone or, in the case of an individual, together with his partner or any of his relatives by blood or by marriage in the direct line (including foster-children) or of those of his partner for Dutch tax purposes – owns or is deemed to own, directly or indirectly, 5% or more of the shares or of any class of shares of such Issuer, or rights to acquire, directly or indirectly, such an interest in the shares of such Issuer or profit participating certificates relating to 5% or more of the annual profits or to 5% or more of the liquidation proceeds of such Issuer, or (b) such person's shares, rights to acquire shares or profit participating certificates in such Issuer are held by him following the application of a non-recognition provision.

#### ***Withholding tax***

All payments under Notes, including any payments under the Guarantees, may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority of or in the Netherlands, except where Notes are issued under such terms and conditions that such Notes are capable of being classified as equity of the relevant Issuer for Dutch tax purposes or actually function as equity of the relevant Issuer within the meaning of article 10, paragraph 1, letter d, of the Dutch Corporation Tax Act 1969 and where Notes are issued that are redeemable in exchange for, convertible into or linked to shares or other equity

instruments issued or to be issued by either one or both of the Issuers or by any entity related to either one or both of the Issuers.

### ***Taxes on income and capital gains***

#### *Non-resident holders of Notes*

##### *Individuals*

If a holder of Notes is an individual who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch income tax he will not be subject to Dutch income tax in respect of any benefits derived or deemed to be derived from or in connection with Notes, except if

- (i) he derives profits from an enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, and such enterprise is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and his Notes are attributable to such permanent establishment or permanent representative; or
- (ii) he derives benefits or is deemed to derive benefits from or in connection with Notes that are taxable as benefits from miscellaneous activities performed in the Netherlands.

##### *Corporate entities*

If a holder of Notes is a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, which is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch corporation tax, it will not be subject to Dutch corporation tax in respect of any benefits derived or deemed to be derived from or in connection with Notes, except if

- (i) it derives profits from an enterprise directly, which is carried on, in whole or in part, through a permanent establishment or a permanent representative which is taxable in the Netherlands, and to which permanent establishment or permanent representative its Notes are attributable; or
- (ii) it derives profits pursuant to a co-entitlement to the net value of an enterprise which is managed in the Netherlands, other than as a holder of securities and to which enterprise its Notes are attributable.

##### *General*

A holder of Notes will not be deemed to be resident in the Netherlands for Dutch tax purposes by reason only of the execution and/or enforcement of the documents relating to the issue of Notes or the performance by the relevant Issuer of its obligations under such documents or under Notes.

If a holder of Notes is neither resident nor deemed to be resident in the Netherlands, such holder will for Dutch tax purposes not carry on or be deemed to carry on an enterprise, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands by reason only of the execution and/or enforcement of the documents relating to the issue of Notes or the performance by the relevant Issuer of its obligations under such documents or under Notes.

### ***Gift and inheritance taxes***

No Dutch gift tax or Dutch inheritance tax will arise with respect to an acquisition or deemed acquisition of Notes by way of gift by, or upon the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax except if, in the event of a gift whilst not being a resident nor being a deemed resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax, the holder of Notes becomes a resident or a deemed resident in

the Netherlands and dies within 180 days after the date of the gift.

For purposes of Dutch gift tax and Dutch inheritance tax, a gift of Notes made under a condition precedent is deemed to be made at the time the condition precedent is satisfied.

### ***Registration taxes and duties***

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands in respect of or in connection with the execution and/or enforcement (including by legal proceedings and including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of Notes, the performance by the relevant Issuer and/or relevant Guarantor of its obligations under such documents or under Notes, or the transfer of Notes, except that Dutch real property transfer tax may be due upon an acquisition in connection with Notes of real property situated in the Netherlands, (an interest in) an asset that qualifies as real property situated in the Netherlands or (an interest in) a right over real property situated in the Netherlands, for the purposes of Dutch real property transfer tax or, where Notes are issued under such terms and conditions that they represent (an interest in) an asset that qualifies as real property situated in the Netherlands, for the purposes of Dutch real property transfer tax.

### **THE PROPOSED FINANCIAL TRANSACTION TAX (“FTT”)**

On February 14, 2013, the European Commission has published a proposal (the “*Commission’s Proposal*”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “*participating Member States*”). However, Estonia has in 2015 stated that it will not participate.

The Commission’s Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

The Dealers have in an amended and restated Programme Agreement (the “*Programme Agreement*”) dated April 21, 2017 agreed with the Issuers a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuers have agreed to reimburse the Dealers for certain of their expenses in connection with any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### European Economic Area

From January 1, 2018, unless the Final Terms in respect of any Notes specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “*retail investor*” means a person who is one (or more) of the following :
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - (ii) a customer within the meaning of the IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Directive; and
- (b) the expression an “*offer*” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Prior to January 1, 2018, and from that date if the Final Terms in respect of any Notes specifies “Prohibition of Sale, to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “*Relevant Member State*”), that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “*Relevant Implementation Date*”), it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (i) to (iii) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.



For the purposes of this provision, the expression an “*offer of Notes to the public*” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression “*Prospectus Directive*” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

## **The Netherlands**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall include in:

- (a) any offer of Notes to the public in the Netherlands other than an offer:
  - (i) in respect of which a prospectus (and any supplement if required) approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the “*AFM*”) (or, where appropriate, by the competent authority in another European Economic Area Member State which has implemented the Prospectus Directive and notified to the AFM in accordance with the Prospectus Directive) has been made generally available; or
  - (ii) only to qualified investors as defined in the Prospectus Directive; and
- (b) any advertisement relating to such an offer, and any document in which the prospect of such offer is held out;

that:

- (A) no prospectus approved by the AFM has been or will be made generally available; and
- (B) such offer is not supervised by the AFM;

in such manner as prescribed by the AFM from time to time.

For purposes of this provision the expression “*Prospectus Directive*” shall have the meaning set out under “*European Economic Area*”.

Zero Coupon Notes in bearer form and other Notes that qualify as savings certificates as defined in the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) may only be transferred or accepted directly or indirectly, within, from or into the Netherlands through the mediation of either the relevant Issuer of those Notes or a member of Euronext Amsterdam N.V. and with due observance of the Dutch Savings Certificates Act and its implementing regulations (including registration requirements), provided that no such mediation is required in respect of (i) the initial issue of such Notes to the first holders thereof, (ii) any transfer and acceptance by individuals who do not act in the conduct of a profession or trade; and (iii) the transfer or acceptance of those Notes, if such Notes are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

## **United States**

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 or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered

within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and U.S. Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

## **United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes having a maturity of less than one year, (a) 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 (b) 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 FSMA by the relevant Issuer;
- (ii) 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 relevant Issuer or the relevant Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## **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”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), 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.

## **The Republic of France**

Each Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and such offers, sales and distributions have been and will be made in France only to (i) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (ii) qualified investors (*investisseurs qualifiés*) and/or (c) a limited circle of investors (*cercle restreint*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*. This Prospectus has not been and will not be submitted to, nor approved by, the *Autorité des Marchés Financiers*.

## **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus or any other offering material or any Final Terms and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of RSG, Schiphol Nederland, Trustee and any of the other Dealers shall have any responsibility therefor.

None of RSG, Schiphol Nederland, the Trustee and any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the relevant Issuer and the relevant Dealer shall agree.

These selling restrictions may be modified by the agreement of the relevant Issuer and the Dealers following a change in a relevant law, regulation or directive or in the interpretation thereof.

## GENERAL INFORMATION

### Authorisation

The establishment and updates of the Programme have been duly authorised by resolutions of the *Directie* (Management Board) of RSG dated March 26, 1999, June 14, 2000, June 22, 2001, March 7, 2002, March 26, 2003, April 15, 2004, October 19, 2005, April 17, 2007, April 17, 2008, April 14, 2009, May 11, 2010, May 10, 2011, May 8, 2012, May 14, 2013, May 13, 2014, May 12, 2015, April 26, 2016 and April 19, 2017, respectively, and by resolutions of the *Raad van Commissarissen* (Supervisory Board) of RSG dated April 9, 1999, June 9, 2000, June 22, 2001, February 28, 2002, March 26, 2003, April 14, 2004, October 19, 2005, April 17, 2007, April 17, 2008, April 16, 2009, May 14, 2010, May 11, 2011, May 8, 2012, May 14, 2013, December 20, 2013 (as confirmed in the extract of May 13, 2014), December 19, 2014 (as confirmed in the extract of May 12, 2015), December 18, 2015 (as confirmed in the extract of April 26, 2016) and December 21, 2016 (as confirmed in the extract of April 19, 2017) respectively. The accession to the Programme and the update of the Programme has been duly authorised by Schiphol Nederland by resolutions of the Board of Management dated March 7, 2002, March 26, 2003, April 15, 2004, October 19, 2005, April 17, 2007, April 17, 2008, April 14, 2009, May 11, 2010, May 10, 2011, May 8, 2012, May 14, 2013, May 13, 2014, May 12, 2015, April 26, 2016 and April 19, 2017, respectively.

### Listing of Notes on Euronext Amsterdam and/or the London Stock Exchange

Application has been made to Euronext Amsterdam for Notes issued under the Programme up to the expiry of 12 months from the date of this Prospectus to be admitted to trading and listed on Euronext Amsterdam. In addition, the Issuers have requested that the AFM send to the UK Listing Authority (i) a copy of this Prospectus and (ii) a certificate of approval pursuant to Article 18 of the Prospectus Directive in order to permit Notes issued under the Programme up to the expiry of 12 months from the date of this Prospectus to be admitted to listing on the Official List of the UK Listing Authority and to trading on the regulated market of the London Stock Exchange plc.

### Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available, free of charge, at the registered office of each of the Issuers and at the offices of each of the Paying Agents as specified below:

- (i) the constitutional documents (with an English translation thereof) of RSG and the constitutional documents (with an English translation thereof) of Schiphol Nederland;
- (ii) the audited financial statements, which include both consolidated financial statements and company financial statements of RSG, in respect of the financial years ended December 31, 2016 and December 31, 2015 (with an English translation thereof);
- (iii) the most recently published audited financial statements, which include both consolidated financial statements and company financial statements of RSG, and the most recently published unaudited half-yearly interim financial statements of RSG (in each case with an English translation thereof);
- (iv) the Agency Agreement, the Trust Deed and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (v) a copy of this Prospectus; and
- (vi) any future prospectuses, information memoranda and supplements including Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive

will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to its holding of Notes and identity) to this Prospectus and any other documents incorporated herein or therein by reference.

Requests for copies of the documents listed above should be made to:

Royal Schiphol Group N.V. Evert van de Beekstraat 202 1118 CP Schiphol The Netherlands	Tel.: +31 20 601 2570 Fax: +31 20 601 4407 Attention: Treasury & Risk Management
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Schiphol Nederland B.V. Evert van de Beekstraat 202 1118 CP Schiphol The Netherlands	Tel.: +31 20 601 2570 Fax: +31 20 601 4407 Attention: Treasury & Risk Management
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Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom	Tel: +44 20 7545 8000 Fax: +44 20 7547 6149 Attention: Trust & Securities Services
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ABN AMRO Bank N.V. Gustav Mahlerlaan 10 1082 PP Amsterdam The Netherlands	Tel.: +31 20 628 0708 Fax: +31 20 628 8481 Attention: Corporate Actions
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In addition, this Prospectus, any supplement to it and the Final Terms relating to any Notes listed on Euronext Amsterdam are available for viewing on the website of the AFM at [www.afm.nl/publicdatabase/](http://www.afm.nl/publicdatabase/).

### **Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

### **Conditions for Determining Price**

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **Significant or Material Change**

There has been no significant change in the financial or trading position of RSG or Royal Schiphol Group taken as a whole since December 31, 2016, and there has been no material adverse change in the financial position or prospects of RSG or Royal Schiphol Group taken as a whole since December 31, 2016.

There has been no significant change in the financial or trading position of Schiphol Nederland and there has been no material adverse change in the financial position or prospects of Schiphol Nederland since December 31, 2016.

### **Legal Proceedings**

Save as disclosed under “*Legal Proceedings*”, there have not been any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which RSG or Schiphol Nederland is aware) in the 12 months preceding the date of this Prospectus which may have or have in such period had a significant effect on the financial position or profitability of RSG, Schiphol Nederland or RSG’s other Subsidiaries.

### **Auditors**

Auditors as defined in the Trust Deed: “means the auditors for the time being of RSG, or, as the case may be, Schiphol Nederland or in the event that of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of these presents, such other firm of accountants as may be nominated or approved by the Trustee for the purposes of these presents”.

The auditor of RSG is KPMG Accountants N.V., who has audited, in accordance with auditing standards generally accepted in the Netherlands, and rendered an unqualified auditor’s report on, RSG’s financial statements for each of the financial years ended December 31, 2016 and December 31, 2015, respectively. The partner of KPMG Accountants N.V. who signed the aforementioned auditor’s reports is a member of the Royal Dutch Institute of Registered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

On February 10, 2014 KPMG Accountants N.V. was appointed by the General Meeting of Shareholders as RSG’s auditor with effect from the 2014 financial year based on the nomination of the Supervisory Board. This nomination followed a competitive tender process that RSG conducted in line with its views on good corporate governance and the Dutch corporate governance code.

### **Certificates**

The Trust Deed provides that the Trustee may rely on certificates or reports from the Auditors (as defined in the Trust Deed) in accordance with the provisions of the Trust Deed whether or not called for by or addressed to the Trustee and whether or not any such certificate or report or engagement letter or other document entered into by the Trustee and the Auditors in connection therewith contains any limit on the liability of the Auditors.

**REGISTERED OFFICE OF ROYAL SCHIPHOL GROUP N.V.**

**Royal Schiphol Group N.V.**  
Evert van de Beekstraat 202  
1118 CP Schiphol  
The Netherlands

**REGISTERED OFFICE OF SCHIPHOL NEDERLAND B.V.**

**Schiphol Nederland B.V.**  
Evert van de Beekstraat 202  
1118 CP Schiphol  
The Netherlands

**PRINCIPAL PAYING AGENT**

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**PAYING AGENTS**

**Deutsche Bank Luxembourg S.A.**  
2 Boulevard Konrad Adenauer  
L-1115 Luxembourg  
Grand Duchy of Luxembourg

**ABN AMRO Bank N.V.**  
Gustav Mahlerlaan 10  
1082 PP Amsterdam  
The Netherlands

**TRUSTEE**

**Deutsche Trustee Company Limited**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**LEGAL ADVISERS**

*To RSG and Schiphol Nederland as to Dutch law  
(except tax law)*

*To RSG and Schiphol Nederland as to Dutch tax  
law*

**De Brauw Blackstone Westbroek N.V.**  
Claude Debussylaan 80  
1082 MD Amsterdam  
The Netherlands

**Loyens & Loeff N.V.**  
Forum  
Fred. Roeskestraat 100  
1076 ED Amsterdam  
The Netherlands

*To the Dealers and the Trustee as to Dutch law and English law*

**Simmons & Simmons LLP**  
Claude Debussylaan 247  
1082 MC Amsterdam  
The Netherlands

**Simmons & Simmons LLP**  
CityPoint  
One Ropemaker Street  
London EC2Y 9SS  
United Kingdom

**AUDITORS**

*of Royal Schiphol Group N.V.*

**KPMG Accountants N.V.**

Laan van Langerhuize 1  
1186 DS Amstelveen  
The Netherlands

**DEALERS**

**ABN AMRO Bank N.V.**

Gustav Mahlerlaan 10  
1082 PP Amsterdam  
The Netherlands

**BNP Paribas**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Coöperatieve Rabobank U.A.**

Croeselaan 18  
3521 CB Utrecht  
The Netherlands

**ING Bank N.V.**

Foppingadreef 7  
1102 BD Amsterdam  
The Netherlands

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**The Royal Bank of Scotland plc (trading as**

**NatWest Markets)**  
250 Bishopsgate  
London EC2M 4AA  
United Kingdom

**AMSTERDAM LISTING AGENT**

**ABN AMRO Bank N.V.**

Gustav Mahlerlaan 10  
1082 PP Amsterdam  
The Netherlands



