

TERMS AND CONDITIONS OF THE BONDS

THIS DOCUMENT IS NOT AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF ANY OFFER TO BUY SECURITIES.

SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS CONTAINED WITHIN: (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL INSTRUMENTS, AS AMENDED (“MIFID II”); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; (C) LOCAL IMPLEMENTING MEASURES IN THE EUROPEAN ECONOMIC AREA (“EEA”); (D) REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE “EUWA”) (“UK MIFIR”); AND (E) THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (TOGETHER, THE “PRODUCT GOVERNANCE REQUIREMENTS”), AND DISCLAIMING ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE, WHICH ANY “MANUFACTURER” (FOR THE PURPOSES OF THE RELEVANT PRODUCT GOVERNANCE REQUIREMENTS) MAY OTHERWISE HAVE WITH RESPECT THERETO, THE BONDS HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, WHICH HAS DETERMINED THAT: (I) THE TARGET MARKET FOR THE BONDS IS (A) IN THE EEA, ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II AND (B) IN THE UNITED KINGDOM, ELIGIBLE COUNTERPARTIES (AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK) AND PROFESSIONAL CLIENTS (AS DEFINED IN UK MIFIR); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE BONDS TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE BONDS (A “DISTRIBUTOR”) SHOULD TAKE INTO CONSIDERATION EACH MANUFACTURER’S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II OR THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS (BY EITHER ADOPTING OR REFINING EACH MANUFACTURER’S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL OR LEGAL SELLING RESTRICTIONS IN RELATION TO THE BONDS.

FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II OR UK MIFIR; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE BONDS.

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA OR THE UNITED KINGDOM. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS, IN THE EEA, A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE

4(1) OF MIFID II. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS, IN THE UNITED KINGDOM, A PERSON WHO IS ONE (OR MORE) OF (I) A RETAIL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUWA OR (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 OF THE UNITED KINGDOM (THE “FSMA”) AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUWA.

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE “PRIIPS REGULATION”) OR THE PRIIPS REGULATION AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUWA (THE “UK PRIIPS REGULATION”) FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA OR THE UNITED KINGDOM HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA OR THE UNITED KINGDOM MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION AND/OR THE UK PRIIPS REGULATION.

THIS DOCUMENT IS NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE U.S. SECURITIES ACT OF 1933 (THE “U.S. SECURITIES ACT”). THIS DOCUMENT IS NOT AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF ANY OFFER TO BUY SECURITIES, NOR SHALL THERE BE ANY OFFER OF SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER OR SALE WOULD BE UNLAWFUL. THE SECURITIES MENTIONED IN THIS DOCUMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. 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 (AS SUCH TERMS ARE DEFINED IN REGULATIONS UNDER THE U.S. SECURITIES ACT) ABSENT REGISTRATION OR AN EXEMPTION FROM THE APPLICABLE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT. THERE WILL BE NO PUBLIC OFFER OF THE SECURITIES MENTIONED IN THIS DOCUMENT IN THE UNITED STATES OR IN ANY OTHER JURISDICTION.

THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE MEXICAN NATIONAL BANKING AND SECURITIES COMMISSION (*COMISIÓN NACIONAL BANCARIA Y DE VALORES*, OR “CNBV”) AND THEREFORE, MAY NOT BE PUBLICLY OFFERED OR SOLD IN MEXICO; THE BONDS, HOWEVER, MAY BE OFFERED OR SOLD IN MEXICO, ON A PRIVATE PLACEMENT BASIS, SOLELY TO INVESTORS THAT QUALIFY AS INSTITUTIONAL OR ACCREDITED INVESTORS, AS DEFINED UNDER MEXICAN LAW, PURSUANT TO THE PRIVATE PLACEMENT EXEMPTION SET FORTH IN ARTICLE 8 OF THE MEXICAN SECURITIES MARKET LAW (*LEY DEL MERCADO DE VALORES*; THE “LMV”) AND REGULATIONS THEREUNDER. UPON ISSUANCE OF THE BONDS, THE TERMS AND CONDITIONS OF THE BONDS WILL BE NOTIFIED BY THE ISSUER TO THE CNBV FOR STATISTICAL AND INFORMATION PURPOSES ONLY, THE DELIVERY OF SUCH NOTICE TO, AND THE RECEIPT THEREOF BY, THE CNBV, DOES NOT CONSTITUTE OR IMPLY ANY CERTIFICATION AS TO THE INVESTMENT VALUE OF THE BONDS OR THE SOLVENCY OF THE ISSUER OR HEINEKEN HOLDING (EACH AS DEFINED BELOW).

THIS DOCUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THIS DOCUMENT AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF THE BONDS MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY THE BONDS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO ANY PERSON IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR (AS DEFINED IN SECTION 4A OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE “SFA”)) PURSUANT TO SECTION 274 OF THE SFA, (II) TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA) PURSUANT TO SECTION 275(1) OF THE SFA, OR ANY PERSON PURSUANT TO SECTION 275(1A) OF THE SFA, AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA, OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

SINGAPORE SFA PRODUCT CLASSIFICATION: IN CONNECTION WITH SECTION 309B OF THE SFA AND THE SECURITIES AND FUTURES (CAPITAL MARKETS PRODUCTS) REGULATIONS 2018 OF SINGAPORE (THE “CMP REGULATIONS 2018”), THE ISSUER HAS DETERMINED, AND HEREBY NOTIFIES ALL RELEVANT PERSONS (AS DEFINED IN SECTION 309A(1) OF THE SFA), THAT THE BONDS ARE ‘PRESCRIBED CAPITAL MARKETS PRODUCTS’ (AS DEFINED IN THE CMP REGULATIONS 2018) AND EXCLUDED INVESTMENT PRODUCTS (AS DEFINED IN MAS NOTICE SFA 04-N12: NOTICE ON THE SALE OF INVESTMENT PRODUCTS AND MAS NOTICE FAA-N16: NOTICE ON RECOMMENDATIONS ON INVESTMENT PRODUCTS).

The following, other than the paragraphs in italics, are the terms and conditions of the Bonds, which (subject to modification and except for the wording in italics) will be endorsed on any certificates in definitive form representing the Bonds (if issued):

The issue of the €500,000,000 2.625 per cent. Exchangeable Bonds due 2026 (the “**Bonds**”, which expression shall, unless otherwise indicated, include any Further Bonds) of Fomento Económico Mexicano, S.A.B. de C.V. (the “**Issuer**”) was authorised by a resolution of the Board of Directors (*Consejo de Administración*) of the Issuer passed on 13 February 2023. The Bonds are constituted by a trust deed (as modified and/or supplemented and/or restated from time to time in accordance with its terms, the “**Trust Deed**”) dated 24 February 2023 and made between the Issuer and BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”, which term shall, where the context so permits, include all other persons for the time being appointed as the trustee or trustees for the Bondholders under the Trust Deed) as trustee for the Bondholders. The Issuer has entered into a paying, transfer and exchange agency agreement (as modified and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) dated 24 February 2023 with the Trustee, The Bank of New York Mellon SA/NV, Dublin Branch as registrar, The Bank of New York Mellon, London Branch as principal paying, transfer and exchange agent, and the other paying, transfer and exchange agents named therein. The registrar and the principal paying, transfer and exchange agent and the other paying, transfer and exchange agents for the time being are referred to below, respectively, as the “**Registrar**”, the “**Principal Paying, Transfer and Exchange Agent**” and the “**Paying, Transfer and Exchange Agents**” (which expression shall include the Principal Paying, Transfer and Exchange Agent). The Issuer has also entered into a calculation agency agreement (as modified and/or supplemented and/or restated from time to time, the “**Calculation Agency Agreement**”) dated 24 February 2023 with Conv-Ex Advisors Limited (the “**Calculation Agent**”, which expression shall include any successor as calculation agent under the Calculation Agency Agreement) pursuant to which the Calculation Agent has been appointed to make certain calculations and determinations in relation to the Bonds.

The statements in these terms and conditions of the Bonds (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Bonds.

Copies of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement are available for inspection by Bondholders by emailing the Paying, Transfer and Exchange Agents at corpsov2@bnymellon.com and providing a proof of holding and identity in a form satisfactory to the Paying, Transfer and Exchange Agents. The Bondholders are entitled to the benefit of the Trust Deed and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement applicable to them.

Capitalised terms used but not defined in these Conditions shall have the meanings given to them in the Trust Deed unless the context otherwise requires or unless otherwise stated.

1 Form, Denomination, Title and Status of the Bonds

(a) *Form and Denomination*

The Bonds are in registered form in the principal amount of €100,000 each (the “**authorised denomination**”).

(b) *Title*

Title to the Bonds passes by transfer and registration as described in Condition 3. The holder (as defined below) of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, or theft or loss of it or that of the related certificate, as applicable, or anything written on it or the certificate representing it (other than a duly executed transfer thereof)) and no person will be liable for so treating the holder.

*The Bonds will on issue be represented by a global bond in registered form (the “**Global Bond**”), which will be registered in the name of the common depositary (or its nominee) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”). The Global Bond will be held by a depositary for Euroclear and Clearstream, Luxembourg. Interests of participants in Euroclear and Clearstream, Luxembourg in the Bonds will be represented by book entries in the records of Euroclear and Clearstream, Luxembourg.*

Individual Bonds in respect of book-entry interests in any Bonds will not be issued in exchange for an interest in the Global Bond, except in the very limited circumstances described in the Global Bond.

Title to book-entry interests in the Bonds represented by the Global Bond will pass by book-entry registration of the transfer in the records of Euroclear or Clearstream, Luxembourg, as the case may be, in accordance with their respective procedures. Book-entry interests in the Bonds may be transferred within Euroclear and within Clearstream, Luxembourg and between Euroclear and Clearstream, Luxembourg in accordance with procedures established for these purposes by Euroclear and Clearstream, Luxembourg.

(c) *Status of the Bonds*

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 2) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The obligations of the Issuer under the Bonds shall, subject to Condition 2, at all times rank at least equally with all other existing and future unsecured and unsubordinated obligations of the Issuer (save for certain obligations that are preferred by statute).

2 Limitation on Liens

- (a) So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer shall not create, incur, issue or assume, and it shall not permit any Significant Subsidiary to, create, incur, issue or assume any Lien on any Property to secure Indebtedness of the Issuer and/or any of its Significant Subsidiaries where such Indebtedness secured by such Liens would exceed an aggregate amount equal to the greater of (1) U.S.\$4,030,000,000; and/or (2) 16 per cent. of Consolidated Tangible Assets less, in each case, the aggregate amount of Attributable Debt of the Issuer and its Significant Subsidiaries pursuant to Condition 2(b), unless in any such case, before or at the same time as the creation of the Lien, any and all action necessary shall have been taken by or on behalf of the Issuer to ensure that all amounts payable by the Issuer under the Bonds are secured equally and rateably with (prior to or at the same time as) the Indebtedness secured by such Liens; provided, however, that nothing contained in this Condition 2(a) shall prevent or restrict:
- (i) any Lien existing on any Property acquired by the Issuer or any of its Significant Subsidiaries and existing on the date the Property was acquired or any Lien arising after such acquisition pursuant to contractual commitments entered into prior to such acquisition and not in contemplation of such acquisition;
 - (ii) any Lien on any Property securing Indebtedness incurred or assumed for the purpose of financing its purchase price or the cost of its construction, improvement or repair; provided that such Lien attaches to the Property within 12 months of its acquisition or the completion of its construction, improvement or repair thereof and does not attach to any other Property;
 - (iii) any Lien existing on any Property of any Significant Subsidiary prior to the time that such Significant Subsidiary became a Subsidiary of the Issuer or any Lien arising after that time under contractual commitments entered into prior to and not in contemplation of that event;
 - (iv) any Lien on any Property securing Indebtedness owed by a Subsidiary to the Issuer or to another Subsidiary;
 - (v) any Lien on any Property existing on the Closing Date;
 - (vi) any Lien resulting from the deposit of funds or evidence of debt in trust for the purpose of defeasing Indebtedness of the Issuer or the Indebtedness of any Subsidiary of the Issuer;
 - (vii) any (i) Lien in respect of taxes, assessments and other governmental charges and (ii) attachment or judgment Lien, in each case, the payment of which is being contested in good faith by the Issuer or any Significant Subsidiary by appropriate proceedings for which such reserves or other appropriate provision, if any, as may be required by IFRS shall have been made by the Issuer and/or the Significant Subsidiary;
 - (viii) any Lien on accounts receivable, inventory, or bottles and cases to secure working capital or revolving credit debt, in each case, incurred in the ordinary course of the Issuer's or a Significant Subsidiary's business;
 - (ix) any Lien on real estate related to retail or commercial locations operated by the Issuer or any of its Subsidiaries that is contributed to a trust (in these Conditions, a "**Real Estate Trust**"); and
 - (x) any Lien arising out of the refinancing, extension, renewal or refunding of any Indebtedness described in any of Condition 2(a)(i) – (ix) above; provided that the aggregate principal amount of such Indebtedness is not increased and such Lien does not extend to any additional Property.

For the purposes of this Condition 2(a), the giving of a guarantee which is secured by a Lien on a Property, and the creation of a Lien on a Property to secure Indebtedness which existed prior to the creation of such Lien, shall be deemed to involve the creation of Indebtedness in an amount equal to the

principal amount guaranteed or secured by such Lien; but the amount of Indebtedness secured by Liens on Properties shall be computed without cumulating the underlying Indebtedness with any guarantee thereof or Lien securing the same.

- (b) So long as any Bond remains outstanding, the Issuer shall not, and it shall not permit any Significant Subsidiary to, enter into any Sale and Leaseback Transaction (other than a Specified Sale and Leaseback Transaction) unless, before or at the same time as the transaction, any and all action necessary shall have been taken by or on behalf of the Issuer to ensure that all amounts payable by the Issuer under the Bonds are secured equally and rateably with the Sale and Leaseback Transaction unless the aggregate amount of Attributable Debt of the Issuer and its Significant Subsidiaries in respect of Sale and Leaseback Transactions then outstanding (other than in respect of a Specified Sale and Leaseback Transaction) would not exceed an aggregate amount equal to the greater of (1) U.S.\$4,030,000,000 and/or (2) 16 per cent. of Consolidated Tangible Assets less, in each case, Indebtedness secured by any Lien permitted pursuant to Condition 2(a) above that does not secure the Bonds equally with (prior to or at the same time as) the Indebtedness secured by such Liens.

Notwithstanding the foregoing, the Issuer and/or its Subsidiaries may enter into Sale and Leaseback Transactions that solely refinance, extend, renew or refund Sale and Leaseback Transactions that are permitted pursuant to this Condition 2(b) and the restrictions described herein will not apply to such Sale and Leaseback Transactions.

As used in these Conditions:

“**Attributable Debt**” means, with respect to any Sale and Leaseback Transaction, the lesser of (1) the fair market value of the asset subject to such transaction and (2) the present value, discounted at a rate per annum equal to the discount rate of a capital lease obligation with a like term in accordance with IFRS (as determined by the Issuer in good faith), of the obligations of the lessee for net rental payments (excluding amounts on account of maintenance and repairs, insurance, taxes, assessments and similar charges and contingent rents) during the term of the lease.

“**Consolidated Tangible Assets**” means, at any time, total assets (stated net of properly deductible items, to the extent not already deducted in the computation of total assets) less(i) all goodwill and (ii) intangible assets, each as set forth on the most recent consolidated balance sheet of the Issuer, and all determined on a consolidated basis at such time and computed in accordance with IFRS.

“**guarantee**” means any obligation, contingent or otherwise, of any person directly or indirectly guaranteeing any Indebtedness of any other person and any obligation, direct or indirect, contingent or otherwise, of such person:

- (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise); or
- (ii) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided, however, that the term “guarantee” will not include endorsements for collection or deposit in the ordinary course of business. The term “guarantee” used as a verb has a corresponding meaning.

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board as in effect from time to time.

“Indebtedness” means, with respect to any person, any obligation, or (without double counting) the guarantee of any obligation, for the payment or repayment of money borrowed or otherwise evidenced by debentures, notes, bonds or similar instruments or any other obligation that would appear or be treated as indebtedness upon a balance sheet if such person prepared it in accordance with IFRS from time to time.

“Lien” means any mortgage, charge, pledge, lien, hypothecation, security interest or other encumbrance, including, without limitation, any equivalent of the foregoing created under the laws of Mexico or any other jurisdiction.

“Property” means (i) any retail stores, retail service stations, fuel storage and distribution facilities, bottling plants, manufacturing facilities, logistics facilities and distribution facilities, whether owned as of the date of the Trust Deed or acquired after that date, used in connection with the provision of any of the Issuer’s or its Significant Subsidiaries’ business activities in the United States of America, Mexico, Guatemala, Nicaragua, Costa Rica, Panama, Colombia, Venezuela, Brazil, Ecuador, Peru, Chile, Uruguay or Argentina, including any land, buildings, structures and other equipment or fixtures that constitute any such facility, owned by the Issuer and/or a Significant Subsidiary or Significant Subsidiaries; and (ii) any share of capital stock of any Significant Subsidiary.

a **“Sale and Leaseback Transaction”** means a transaction or arrangement between the Issuer or a Subsidiary and a bank, insurance company or other lender or investor where the Issuer or a Subsidiary leases Property for an initial term of three years or more, whether now owned or hereafter acquired, that was or is to be sold by the Issuer or a Significant Subsidiary to that bank, insurance company, lender or investor for a sale price of U.S.\$5,000,000 (or the equivalent thereof in other currencies) or more.

“Significant Subsidiary” means any Subsidiary of the Issuer that satisfies the definition of “significant subsidiary” pursuant to Regulation S-X as promulgated by the SEC. As of 31 December 2021, the Significant Subsidiaries consisted of Compañía Internacional de Bebidas, S.A. de C.V., Grupo Industrial Emprex, S. de R.L. de C.V and CB Equity LLP.

a **“Specified Sale and Leaseback Transaction”** means:

- (a) a Sale and Leaseback Transaction entered into by the Issuer or a Subsidiary, where the Issuer or such Subsidiary, within 12 months of such Sale and Leaseback Transaction, retires Indebtedness not owed to the Issuer or any of its Subsidiaries which is not subordinate to the Bonds or invests in equipment, plant facilities or other fixed assets used in the operations of the Issuer or any of its Subsidiaries, in an aggregate amount equal to the greater of (1) the net proceeds of the sale or transfer of the property or other assets that are the subject of such Sale and Leaseback Transaction and (2) the fair market value of the Property leased (in each case as reasonably determined by the Issuer); or
- (b) the transaction involves the lease by the Issuer or any of its Subsidiaries of real estate contributed to a Real Estate Trust.

“Subsidiary” means (i) a corporation more than 50 per cent. of the combined voting power of the outstanding Voting Stock of which is owned, directly or indirectly, by the Issuer or by one or more other Subsidiaries of the Issuer or by the Issuer and one or more Subsidiaries thereof or (ii) any other person (other than a corporation) in which the Issuer, or one or more other Subsidiaries of the Issuer or the Issuer and one or more other Subsidiaries thereof, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

“Voting Stock” means, with respect to any person, capital stock of, or other ownership interest in, such person which ordinarily has voting power for the election of directors of (or persons performing similar

functions for) such person, whether at all times or only as long as no senior class of securities or other ownership interests has such voting power by reason of any contingency. For the purpose of calculating the percentage of (i) the combined voting power of the Voting Stock of any person that is represented by (ii) any capital stock of or other ownership interests in such person, all capital stock of and other ownership interests in such person that are beneficially owned by such person will be excluded in determining the combined voting power described in clause (i) but will not be excluded from (if otherwise included in) the capital stock or other ownership interests described in clause (ii).

3 Registration and Transfer of Bonds

(a) **Registration**

The Issuer will cause a register (the “**Register**”) to be kept at the specified office of the Registrar outside the United Kingdom on which will be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers, redemptions and exchanges of Bonds.

(b) **Transfer**

Bonds may, subject to the terms of the Trust Deed and Agency Agreement and to Conditions 3(c) and 3(d), be transferred in an authorised denomination (or integral multiples thereof) by lodging the relevant Bond(s) (with the form of application for transfer in respect thereof duly executed and duly stamped where applicable) at the specified office of the Registrar or any Paying, Transfer and Exchange Agent.

No transfer of a Bond will be valid unless and until entered on the Register. A Bond may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number).

The Registrar will within seven business days, in the place of the specified office of the Registrar, of any duly made application for the transfer of a Bond, register the relevant transfer and deliver a new Bond to the transferee (and, in the case of a transfer of part only of a Bondholder’s aggregate holding, deliver a Bond for the untransferred balance to the transferor) at the specified office of the Registrar or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Bond by uninsured mail to such address as the transferee or, as the case may be, the transferor may request.

(c) **Formalities Free of Charge**

Such transfer will be effected without charge subject to (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar being satisfied with the documents of title and/or identity of the person making the application and (iii) such reasonable regulations as the Issuer may from time to time agree with the Registrar (and as initially set out in the Agency Agreement).

(d) **Closed Periods**

Neither the Issuer nor the Registrar will be required to register the transfer of any Bond (or part thereof) (i) during the period of 15 days ending on and including the day immediately prior to the Final Maturity Date or any earlier date fixed for redemption of the Bonds pursuant to Condition 10(b); (ii) in respect of which an Exchange Notice has been delivered in accordance with Condition 6(b); (iii) in respect of which the holder has exercised its right to require redemption pursuant to Condition 10(c); or (iv) during the period of 15 days ending on and including any Record Date in respect of any scheduled payment of interest on the Bonds.

4 Definitions

For the purpose of these Conditions, the following words and phrases shall (unless otherwise specified) have the following meanings:

“**Additional Exchange Property**” has the meaning set out in Condition 6(b)(iv);

“**ADSs**” means American Depositary Shares;

“**Bondholder**” and “**holder**” mean the person in whose name a Bond is registered in the Register (as defined in Condition 3(a));

“**business day**” means, in relation to any place, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments generally in such place;

“**Capital Distribution**” means:

- (a) any Non-Cash Dividend; or
- (b) any Cash Dividend (the “**Relevant Cash Dividend**”) paid or made in any Relevant Year (as specified below) in respect of any Unit of Equity Shares if and to the extent that the sum of (as determined by the Calculation Agent):
 - (i) the Fair Market Value of the Relevant Cash Dividend; and
 - (ii) the aggregate of the Fair Market Value of any other Cash Dividend paid or made in such Relevant Year in respect of any Unit of Equity Shares at any time in such Relevant Year (disregarding for such purpose all or any part of any such Cash Dividend or Cash Dividends which shall previously have been determined to be a Capital Distribution in respect of such Relevant Year),

(and, where at any time a Unit of Equity Shares would comprise a fraction of an Equity Share, taking into account the *pro rata* proportion of any such Cash Dividend in respect of any such Equity Share) such sum being the “**Current Year Dividends**”, exceeds the Reference Amount in respect of such Relevant Year (as specified below), and in such case the amount of the relevant Capital Distribution in respect of a Unit of Equity Shares (rounded down, if necessary, to the nearest whole multiple of €0.01) shall be the lesser of:

- (i) the amount by which the Current Year Dividends exceeds the Reference Amount; and
- (ii) the Fair Market Value of the Relevant Cash Dividend in respect of a Unit of Equity Shares,

and the aggregate amount of the relevant Capital Distribution shall be the product of:

- (a) the amount of the relevant Capital Distribution in respect of a Unit of Equity Shares determined as provided above; and
- (b) the aggregate principal amount of Bonds then outstanding divided by €100,000,

as determined by the Calculation Agent.

For the purposes of the above, Fair Market Value in respect of any Relevant Cash Dividend or any such other Cash Dividend shall (subject as otherwise provided in paragraph (a) of the definition of “**Dividend**”) be determined as at the Ex-Date in respect of such Relevant Cash Dividend or such other Cash Dividend, as the case may be, and “**Unit of Equity Shares**” means at any time the Heineken Holding Shares or any other Equity Shares comprised in the *pro rata* share of the Exchange Property in respect of each Bond in the principal amount of €100,000, including for this purpose any fraction of an Equity Share.

“**Relevant Year**” and “**Reference Amount**” are set out below:

Relevant Year	Reference Amount (EUR)
From and including the Closing Date to but excluding 24 February 2024	1,809.16
From and including 24 February 2024 to but excluding 24 February 2025	1,809.16
From and including 24 February 2025 to but excluding the Final Maturity Date	1,809.16

“**Cash Alternative Amount**” has the meaning set out in Condition 6(c);

“**Cash Alternative Calculation Period**” has the meaning set out in Condition 6(c);

“**Cash Alternative Payment Date**” has the meaning set out in Condition 6(c);

“**Cash Dividend**” means (i) any Dividend which is to be paid in cash (in whatever currency), but other than falling within paragraph (b) of the definition of “**Spin-Off**” and (ii) any Dividend determined to be or treated as a Cash Dividend pursuant to paragraph (a) or (b) of the definition of “**Dividend**”;

“**Cash Election**” has the meaning set out in Condition 6(c);

“**Cash Election Exercise Date**” has the meaning provided in Condition 6(c);

“**Cash Settled Exchange Property**” has the meaning provided in Condition 6(c);

“**Closing Date**” means 24 February 2023;

“**Closing Price**” means, in respect of any day:

- (i) in the case of Heineken Holding Shares, the closing price of a Heineken Holding Share on the Relevant Exchange in respect thereof on such day as published on or derived from Bloomberg page HEIO NA Equity HP (or any successor ticker or page) (setting Last Price, or any other successor setting and using values not adjusted for any event occurring after such day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such day;
- (ii) in the case of any other Relevant Security, Spin-Off Securities, shares, options, warrants or other rights or assets, the closing price on the Relevant Exchange in respect thereof on such day of such Relevant Security, Spin-Off Security, share, option, warrant or other right or asset published by or derived from the equivalent Bloomberg page in respect of such Relevant Exchange on such day; or
- (iii) in the case of (i) and (ii) above, if not able to be so determined, the closing price in respect of such day on the applicable Relevant Exchange as obtained or derived from such Relevant Exchange on such day,

all as determined by the Calculation Agent, and provided that:

- (a) if on any such day (for the purposes of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Closing Price of a Heineken Holding Share or, as the case may be, any other Relevant Security, Spin-Off Security, share, option, warrant or other right or asset in respect of such day shall be the Closing Price, determined as provided above, on the immediately preceding Trading Day (for such Heineken Holding Shares, or, as the case may be, Relevant Securities, Spin-Off Security, shares, options, warrants or other rights or assets) on which the same can

be so determined, provided however that if such immediately preceding Trading Day falls prior to the 5th day preceding the Original Date, the Closing Price in respect of such day shall be considered to be not capable of being determined pursuant to this proviso (a), all as determined by the Calculation Agent; and

- (b) if such price cannot be so determined as aforesaid, the Closing Price of a Heineken Holding Share or, as the case may be, any other Relevant Security, Spin-Off Security, share, option, warrant or other right or asset, in respect of such day shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine to be appropriate;

“Dividend” means any dividend or distribution to holders of Relevant Securities (including a Spin-Off), whether of cash, assets or other property, and whenever paid or made and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to such holders upon or in connection with a reduction of capital, a reduction in the par value or nominal value of any Relevant Securities comprised in the Exchange Property or otherwise (and for these purposes a distribution of assets includes, without limitation, an issue of shares or other securities credited as fully or partly paid up) provided that:

- (a) where a Dividend is announced which may be satisfied (at the election of a holder or holders of Relevant Securities) by the payment of cash or the issue or delivery of Relevant Securities or other property or assets, or where a capitalisation of profits or reserves is announced which may, at the election of a holder or holders of Relevant Securities be, satisfied by the payment of cash, then (regardless of whether or not the Issuer does or does not make any election in respect of any Heineken Holding Shares or other Relevant Securities held by it) the Dividend or capitalisation in question shall be treated as a Cash Dividend of an amount equal to whichever is the greater of (i) the Fair Market Value of such cash amount and (ii) the Fair Market Value of such Relevant Securities or other property or assets, in any such case as at the Ex-Date in respect of the relevant Dividend or capitalisation (or, if later, the date on which the number of Relevant Securities (or amount of other property or assets, as the case may be) is determined);
- (b) where there shall be (i) an issue or delivery of Relevant Securities or other property or assets credited as fully paid by way of capitalisation of profits or reserves or otherwise (including any share premium account or capital redemption reserve) where such issue is or is expressed to be in lieu of a Dividend (whether or not a cash dividend equivalent or amount is announced) or a Dividend in cash is announced that is to be satisfied by the issue or delivery of Relevant Securities or other property or assets, or (ii) an issue or delivery of Relevant Securities by way of capitalisation of profits or reserves or otherwise (including any share premium account or capital redemption reserve) that is to be satisfied by the payment of cash, then, in the case of (i), the capitalisation or Dividend in question shall be treated as a Cash Dividend of an amount equal to the Fair Market Value of such Relevant Securities or other property or assets (as the case may be) as at the Ex-Date in respect of the relevant capitalisation or, if later, the date on which the number of Relevant Securities to be issued or delivered (or, as the case may be, the amount of such other property or assets to be delivered) is determined and, in the case of (ii), the capitalisation in question shall be treated as a Cash Dividend of an amount equal to the Fair Market Value of such cash amount;
- (c) any issue of Relevant Securities falling within Condition 7(b)(i) or 7(b)(iii)(A) shall be disregarded;
- (d) any offer by a Relevant Company of Relevant Securities or other securities or options, warrants or rights to subscribe or purchase further Relevant Securities (or any of them) or other securities falling within Condition 7(b)(ii) shall be disregarded;
- (e) a repurchase or redemption of Equity Shares by or on behalf of a Relevant Company shall be disregarded;

(f) where a Dividend is paid or made to holders of any Equity Shares pursuant to any plan or arrangement implemented by the issuer of such Equity Shares for the purpose of enabling holders of the Equity Shares to elect, or which may require such holders, to receive Dividends in respect of such Equity Shares held by them from a person other than, or in addition to, the Relevant Company, such Dividend shall for the purposes of these Conditions be treated as a Dividend paid or made to holders of the Equity Shares by the issuer of such Equity Shares, and the foregoing provisions of this definition and the provisions of these Conditions shall be construed accordingly; and

(g) a Dividend that is a Spin-Off shall be deemed to be a Non-Cash Dividend,

and any such determination shall be made by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;

“Equity Share Capital” means, in relation to any entity, its issued share capital (or equivalent) excluding any part of that capital (or equivalent) which, neither in respect of dividends nor in respect of capital, carries any right to participate beyond a specific amount in a distribution, and **“Equity Share”** and **“Equity Shares”** shall be construed accordingly;

“Equivalent Amount” has the meaning set out in Condition 6(b)(v)(a);

“Exchange Date” has the meaning set out in Condition 6(b)(i);

“Exchange Expenses” has the meaning set out in Condition 6(b)(i);

“Exchange Notice” has the meaning set out in Condition 6(b)(i);

“Exchange Period” has the meaning set out in Condition 6(a)(v);

“Exchange Property” has the meaning set out in Condition 7(a);

“Exchange Right” has the meaning set out in Condition 6(a)(i);

“Ex-Date” means the first date on which the Heineken Holding Shares or, as the case may be, the relevant Equity Share Capital are traded ex- the relevant Dividend or capitalisation or entitlement on the Relevant Exchange in respect of the Heineken Holding Shares or, in the case of a Spin-Off, the first date on which the Heineken Holding Shares or, as the case may be, the relevant Equity Share Capital are traded ex- the relevant Spin-Off on such Relevant Exchange;

“Extraordinary Resolution” has the meaning set out in the Trust Deed;

“Fair Market Value” means, with respect to any property as at or on any date (the **“FMV Date”**) (and as determined by the Calculation Agent):

- (i) in the case of a Cash Dividend paid or to be paid per Heineken Holding Share or other Equity Share, the amount of such Cash Dividend per Heineken Holding Share or other Equity Share;
- (ii) in the case of any other cash amount, the amount of such cash;
- (iii) in the case of Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities or rights or assets which are publicly traded on a Relevant Exchange of adequate liquidity (as determined by (where the Calculation Agent determines in its sole discretion that it is capable of making such determination in its capacity as Calculation Agent) the Calculation Agent or (in any other case) an Independent Adviser), the arithmetic mean of (a) in the case of Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities, rights or assets for which a Volume Weighted Average Price (disregarding for this purpose proviso (b) to the definition thereof) is generally available, the Volume

Weighted Average Price of such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities, rights or assets or (b) in the case of Relevant Securities, Spin-Off Securities, options, warrants or other securities, rights or assets for which a Volume Weighted Average Price (disregarding for this purpose proviso (b) to the definition thereof) is not generally available, the Closing Price of such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities, rights or assets, in the case of (a) and (b) during the period of five Trading Days (for such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities, rights or assets) commencing on such FMV Date (or, if later, the date (the “**Adjusted FMV Date**”) which falls on the first such Trading Day such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities, rights or assets are publicly traded) or such shorter period as such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities, rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities, rights or assets shall instead be determined pursuant to paragraph (iv) below, and no such Adjusted FMV Date shall apply; and

- (iv) in the case of Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities or rights or assets which are not publicly traded on a stock exchange or securities market of adequate liquidity (as aforesaid) or where the proviso to paragraph (iii) above applies, an amount equal to the fair market value thereof as determined by an Independent Adviser on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per share, the dividend yield of a share, volatility, prevailing interest rates and the terms of such Relevant Securities, Spin-Off Securities, shares, options, warrants or other securities or rights or assets,

provided that:

- (A) such amounts shall (unless otherwise specified in these Conditions) in each case be converted, if necessary, by the Calculation Agent:
 - (a) (in the case of (i) or (ii) above) into euro at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date);
 - (b) (in the case of (iii) above) into euro, by converting each such Volume Weighted Average Price or, as the case may be, Closing Price, at the Prevailing Rate on each Trading Day in the relevant period, such conversion being made before calculating the arithmetic mean of the Volume Weighted Average Prices or, as the case may be, the Closing Prices, as provided above; or
 - (c) (in the case of (iv) above) into such currency, and on such date or on the basis of such average over such period, as an Independent Adviser shall determine to be appropriate; and
- (B) in the case of (i), (ii), (iii) or (iv) above, Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit;

“**Final Date**” has the meaning provided in Condition 8(g);

“**Final Maturity Date**” means 24 February 2026;

“**First Call Date**” has the meaning provided in Condition 10(b)(ii);

“**Free Float**” means the aggregate number of Heineken Holding Shares held by persons that own (together with any other person or persons with whom they act in concert, as defined in the Takeover Code of the United Kingdom on Takeovers and Mergers) Heineken Holding Shares representing less than five per cent. of the total number of issued and outstanding Heineken Holding Shares, as determined by an Independent Adviser, in

consultation with the Issuer and where (i) references to “**Heineken Holding Shares**” shall include Heineken Holding Shares represented by ADSs or other depositary, receipts or certificates representing Heineken Holding Shares; (ii) Heineken Holding Shares held by or on behalf of a depositary or custodian or similar person in respect of any such ADSs, depositary, or other receipts or certificates representing Heineken Holding Shares from time to time shall be treated as being held by the holder of the relevant ADSs, depositary or other receipts or certificates and not by such depositary, custodian or similar person; (iii) Heineken Holding Shares that have been borrowed and remain borrowed pursuant to any stock lending arrangement shall be treated as not being owned by the relevant lender; and (iv) Heineken Holding Shares held by or on behalf of Heineken Holding or any subsidiary of Heineken Holding shall be treated as not constituting part of the Free Float;

a “**Free Float Event**” shall occur if (for so long as Heineken Holding Shares are comprised in the Exchange Property) for any period of at least 30 consecutive Trading Days the number of Heineken Holding Shares comprising the Free Float (as determined by an Independent Adviser) is equal to or less than 15 per cent. of the total number of issued and outstanding Heineken Holding Shares (and in any such case the Free Float Event shall be deemed to occur on the last day of such period), provided that, following the occurrence of a Free Float Event as defined in the foregoing provisions of this paragraph, no further Free Float Event may occur unless, following the occurrence of the preceding Free Float Event, the number of Heineken Holding Shares comprising the Free Float (as determined by an Independent Adviser) has been greater than 15 per cent. of the total number of issued and outstanding Heineken Holding Shares for at least 5 consecutive Trading Days);

“**Free Float Event Notice**” has the meaning provided in Condition 9(f);

“**Further Bonds**” means any further bonds issued pursuant to Condition 20 and consolidated and forming a single series with the then outstanding Bonds;

“**Heineken Holding**” means Heineken Holding N.V.;

“**Heineken Holding Shares**” means fully paid ordinary shares with a nominal value of €1.60 each in the capital of Heineken Holding (ISIN: NL0000008977) and all other (if any) shares or stock resulting from any subdivision, consolidation or reclassification of those shares which, as between themselves, have no preference in respect of dividends or amounts payable in the event of any voluntary or involuntary liquidation or winding-up of Heineken Holding;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise, which may be (without limitation) the Calculation Agent, appointed by the Issuer at its own expense and (other than where the initial Calculation Agent is appointed) notified in writing to the Trustee or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Trustee in its sole discretion) and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction, appointed by the Trustee (without liability for so doing) following notification to the Issuer, which appointment shall be deemed to be made by the Issuer;

“**Interest Payment Date**” has the meaning provided in Condition 5(a);

“**Interest Period**” has the meaning provided in Condition 5(a);

“**Mexico**” means the United Mexican States;

“**Non-Cash Dividend**” means any Dividend which is not a Cash Dividend;

“**Offer**” has the meaning provided in Condition 8(g);

“**Offer Consideration**” has the meaning provided in Condition 8(b);

“**Officer’s Certificate**” means a certificate signed by one Authorised Officer addressed and delivered to the Trustee;

“**Optional Redemption Date**” has the meaning provided in Condition 10(b);

“**Permitted Expenses**” means such amount as is equal to or, as the case may be, as would be equivalent to the costs and expenses, including any applicable stamp, transfer, registration or similar taxes or duties, incurred or, as the case may be, that would be incurred by the Issuer in making the relevant sale, subscription and purchase or taking up of rights as provided in these Conditions (whether or not any such sale, subscription or purchase or taking up of rights is made);

“**Predominant Exchange Security**” means, (i) if at such time there is only one type of series of Relevant Security in the Exchange Property, such Relevant Security or (ii) if at any time there is more than one type or series of Relevant Securities in the Exchange Property, such type or series of Relevant Securities which in the determination of (where the Calculation Agent determines in its sole discretion that it is capable of making such determination in its capacity as Calculation Agent) the Calculation Agent or (in any other case) an Independent Adviser represents the largest proportion or weighting by value in the Exchange Property at such time;

“**Prevailing Rate**” means, in respect of any pair of currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date (for the purpose of this definition, the “**Original Date**”) as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such rate cannot be so determined, such rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined, provided that if such immediately preceding day falls earlier than the fifth day prior to the Original Date or if such rate cannot be so determined (all as determined by the Calculation Agent), the Prevailing Rate in respect of the Original Date shall be the rate determined in such other manner as an Independent Adviser shall consider appropriate; “**pro rata share**” means, for each Bond at any time, a fraction of the Exchange Property the numerator of which shall be the principal amount of such Bond (i.e. €100,000) and the denominator of which shall be the aggregate principal amount of all the Bonds (including the Bond to which the *pro rata* share relates) which are outstanding at such time (excluding for this purpose the principal amount of any Bonds in respect of which Exchange Rights have been exercised by a Bondholder but the Exchange Property or the relevant Cash Alternative Amount, as the case may be, has not yet been delivered or paid and excluding from the Exchange Property such *pro rata* share of the Exchange Property in relation to such Bonds);

“**Put Date**” has the meaning provided in Condition 10(c);

“**Put Exercise Notice**” has the meaning provided in Condition 10(c);

“**Put Period**” means the period commencing on the occurrence of a Free Float Event and ending 30 days thereafter or, if later, 30 days following the date on which a Free Float Event Notice is given to Bondholders as required by Condition 9(f);

“**Realisation Proceeds**” means the proceeds of sale (after the deduction of Permitted Expenses) of the relevant Exchange Property (in the case of Condition 6(b)(ii)), or the relevant dividends or other income or distributions or rights (in the case of Condition 6(b)(v)(b)) carried out by a reputable independent broker or investment bank with appropriate expertise selected by the Issuer, on an arm’s length basis (converted if necessary into euro at the Prevailing Rate on the date of receipt of such proceeds);

“**Record Date**” has the meaning provided in Condition 11(c);

“**Reference Exchange Property**” has the meaning provided in Condition 6(c)(i);

“**Register**” has the meaning provided in Condition 3(a);

“**Registered Securities**” has the meaning set out in Condition 6(b)(iv)(A);

“**Registration Date**” means, in respect of any Registered Securities comprised in the Exchange Property to be delivered to a Bondholder upon exercise of Exchange Rights, the date on which the relevant Bondholder is registered as the holder of such Registered Securities;

“**Regulation S**” has the meaning set out in Condition 6(b)(i);

“**Relevant Company**” means Heineken Holding, and any corporation or company derived from or resulting or surviving from the merger, consolidation, amalgamation, reconstruction or acquisition of Heineken Holding with, into or by such other corporation or company, and any other entity, all or part of the share capital of which is, or all or some of the securities of which are, at the relevant time included in the Exchange Property;

“**Relevant Date**” means, in respect of any payment on or in respect of any Bond, whichever is the later of:

- (a) the date on which payment in respect of it first becomes due; and
- (b) if any amount payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days following the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 18 and to the Trustee that such payment will be made, provided that such payment is in fact made as provided in these Conditions;

“**Relevant Event**” has the meaning set out in Condition 7(b)(iii);

“**Relevant Exchange**” means:

- (i) in the case of the Heineken Holding Shares, Euronext Amsterdam or, if the Heineken Holding Shares are no longer admitted to trading on Euronext Amsterdam, the principal stock exchange or securities market on which the Heineken Holding Shares are then listed, admitted to trading or quoted or dealt in; or
- (ii) in the case of any other Equity Shares or Relevant Securities or any other shares, or options, warrants or other rights or assets, the principal stock exchange or securities market on which such Equity Shares or Relevant Securities or any other shares, or options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in;

“**Relevant Page**” means Bloomberg page BFIX (or any successor thereto) or the relevant page on such other information service provider that displays the relevant information;

“**Relevant Securities**” means any securities which at the relevant time are included in the Exchange Property;

“**Rights Issue**” has the meaning set out in Condition 7(b)(ii);

“**SEC**” means the U.S. Securities and Exchange Commission;

“**securities**” means shares or other securities (including without limitation any options, warrants, convertible bonds, evidence of indebtedness or rights to subscribe or purchase shares or other securities);

“**Settlement Date**” means, in respect of any exercise of Exchange Rights, the date falling seven Trading Days after the relevant Exchange Date;

“**Spin-Off**” means:

- (a) a distribution of Spin-Off Securities by Heineken Holding to holders of Heineken Holding Shares as a class or, as the case may be, by any Relevant Company to the holders of its Equity Share Capital as a class; or

- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than Heineken Holding or, as the case may be, the Relevant Company) to holders of Heineken Holding Shares as a class or, as the case may be, by any Relevant Company to the holders of its Equity Share Capital as a class pursuant to any arrangements with Heineken Holding or any of its Subsidiaries or, as the case may be, with the Relevant Company or any of its Subsidiaries;

“**Spin-Off Securities**” means Equity Share Capital of an entity other than Heineken Holding, or as the case may be, the Relevant Company or options, warrants or other rights to subscribe for or purchase Equity Share Capital of an entity other than Heineken Holding, or as the case may be, the Relevant Company;

“**Sub-division, Consolidation or Redenomination**” has the meaning set out in Condition 7(b)(i);

“**TARGET Business Day**” means a day (other than a Saturday or Sunday) on which the TARGET System is operating;

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

“**Trading Day**” means (i) in respect of Heineken Holding Shares or any Relevant Security, Spin-Off Securities or other shares or options, warrants or other rights or assets, a day on which the Relevant Exchange in respect thereof is open for business, other than, in any such case, a day on which the Relevant Exchange is scheduled to or does close prior to its regular closing time, provided that for the purposes of determining the Cash Alternative Calculation Period or any date on which payment of any amount or delivery of any Exchange Property is to be made, “**Trading Day**” will be the Trading Day applicable to the Predominant Exchange Security; and (ii) if the Exchange Property solely comprises either cash or any other property or assets that are not publicly traded (or a combination thereof), a TARGET Business Day;

the “**Value**” of any property or assets on any day means:

- (i) in the case of publicly traded securities, the Volume Weighted Average Price (disregarding for this purpose proviso (b) to the definition thereof) of such securities (converted (if necessary) into euro at the Prevailing Rate) on such day (or, if such day is not a Trading Day in respect thereof, on the immediately preceding Trading Day), all as determined by the Calculation Agent;
- (ii) in the case of publicly traded securities for which the Value cannot be determined pursuant to (i) above, the Closing Price (disregarding for this purpose proviso (b) to the definition thereof) of such securities (converted (if necessary) into euro at the Prevailing Rate) on such day (or, if such day is not a Trading Day in respect thereof, on the immediately preceding such Trading Day), all as determined by the Calculation Agent;
- (iii) the value of all other assets (other than cash) and of publicly traded securities for which a value cannot be determined pursuant to (i) or (ii) above, which shall be deemed to be the fair market value on such day (converted (if necessary) into euro) as determined by an Independent Adviser; and
- (iv) the value of cash shall be deemed to be the amount thereof (converted (if necessary) by the Calculation Agent into euro at the Prevailing Rate on such day),

provided that:

- (A) for the purpose of determining the Value of a *pro rata* share of the Exchange Property, such Value shall be equal to the aggregate of the Values of any property and assets (determined as provided in this definition) included in such *pro rata* share of the Exchange Property, as determined by the Calculation Agent;

- (B) if on any day any such publicly traded securities are quoted on the Relevant Exchange cum any dividend or other entitlement, or any assets or publicly traded securities the value of which is to be determined pursuant to (iii) above have the benefit of, or are entitled to, or carry the right to, any dividend or other entitlement, in any such case which a Bondholder would not be entitled to pursuant to these Conditions (including in respect thereof pursuant to any Additional Exchange Property deliverable pursuant to Condition 6(b)(iv) or any cash amount or other property deliverable pursuant to Condition 6(b)(iv)) in respect of the relevant exercise of Exchange Rights (assuming for any other purpose other than determining the Cash Alternative Amount, that such relevant exercise of Exchange Rights had occurred on such day) (disregarding for this purpose any Cash Election in respect of the relevant exercise of Exchange Rights), then the value of any such assets or publicly traded securities on such day shall be reduced by an amount equal to the Value (or, in the case of a Cash Dividend or other cash amount, the Fair Market Value (converted, if necessary, into euro at the Prevailing Rate on such date)) as at such date of any such dividend or other entitlement, as determined by the Calculation Agent;
- (C) if on any day any such publicly traded securities are quoted or traded on the Relevant Exchange ex any dividend or other entitlement, or any assets or publicly traded securities the value of which is to be determined pursuant to (iii) above do not have the benefit of, or are not entitled to, or do not carry the right to, any dividend or other entitlement, in any such case which (or a portion of which) (AA) a Bondholder would be entitled to pursuant to these Conditions (or in respect of which the relevant Bondholder would have been entitled to receive any Additional Exchange Property deliverable pursuant to Condition 6(b)(iv) or cash amount or other property pursuant to Condition 6(b)(v) in respect of the relevant exercise of Exchange Rights (assuming for any purpose other than determining the Cash Alternative Amount, that such relevant exercise of Exchange Rights had occurred on such day) (disregarding for this purpose any Cash Election in respect of such relevant exercise of Exchange Rights) and (BB) no adjustment to the Exchange Property in respect thereof pursuant to Condition 7(b) is in effect as at the date on which the relevant Exchange Property in respect of such exercise of Exchange Rights is determined, then the value of any such publicly-traded securities or assets on such day shall be increased by an amount equal to the Value (or, in the case of a Dividend in cash or other cash amount, the Fair Market Value (converted, if necessary, into euro at the Prevailing Rate as at such date) as at such date of any such dividend or other entitlement (or relevant portion thereof) all as determined by the Calculation Agent; and
- (D) if any doubt shall arise as to whether any adjustment to the determination of Value is required, or as to the appropriate adjustment(s) required, to give the intended result, the Issuer may appoint an Independent Adviser to make a determination in respect thereof and, in the absence of manifest error and following consultation between the Issuer (as applicable) and the Independent Adviser, the written determination by the Independent Adviser in respect thereof shall be final and binding on the Issuer, the Bondholders, the Trustee and the Paying, Transfer and Exchange Agents.

“Volume Weighted Average Price” means, in respect of any Trading Day:

- (i) in the case of Heineken Holding Shares, the volume weighted average price of a Heineken Holding Share on the Relevant Exchange published by or derived from Bloomberg page HEIO NA Equity HP (or any successor ticker or page) (setting Weighted Average Line, or any other successor setting and using values not adjusted for any event occurring after such Trading Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Trading Day; and
- (ii) in the case of any other Relevant Security, Spin-Off Securities, shares, options, warrants or other rights or assets, the order book volume weighted average price thereof published by or derived from the equivalent Bloomberg page in respect of the Relevant Exchange on such Trading Day; or

- (iii) in the case of (i) and (ii) above, if not able to be so determined, the volume weighted average price in respect of such day on the Relevant Exchange as obtained or derived from such Relevant Exchange on such day,

all as determined by the Calculation Agent, and provided that:

- (a) if on any such day (for the purpose of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Heineken Holding Share or, as the case may be, any other Relevant Security, Spin-Off Security, share, option, warrant or other right or asset in respect of such day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Trading Day for Heineken Holding Shares or, as the case may be, such other Relevant Securities, Spin-Off Securities, shares, options, warrants or other rights or assets on which the same can be so determined, provided that if such immediately preceding Trading Day falls prior to the fifth day preceding the Original Date, the Volume Weighted Average Price in respect of such day shall be considered to be not capable of being determined pursuant to this proviso (a), all as determined by the Calculation Agent; and
- (b) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of a Heineken Holding Share or, as the case may be, any other Relevant Security, Spin-Off Security, share, option, warrant or other right or asset in respect of such day shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine to be appropriate;

“**€**”, “**euro**” and “**EUR**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended; and

“**U.S.\$**” and “**U.S. dollars**” means the lawful currency of the United States of America.

For the purposes of the definition of Capital Distribution, “**Fair Market Value**” (subject as provided in paragraph (a) of the definition of “**Dividend**” and in the definition of “**Fair Market Value**”) shall be determined as at the Ex-Date in respect of the relevant Dividend.

References to any offer “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all holders of the Relevant Securities in question, other than holders to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such offer or grant.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

5 Interest

(a) Interest Rate

The Bonds bear interest from (and including) the Closing Date at the rate of 2.625 per cent. per annum of the principal amount thereof and payable annually in arrear on 24 February in each year (each an “**Interest Payment Date**”), the first Interest Payment Date being 24 February 2024, and the amount of interest payable on each Interest Payment Date will amount to €2,625 per €100,000 in principal amount of the Bonds.

The period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an “**Interest Period**”.

The amount of interest payable in respect of any period (an “**Accrual Period**”) which is not a complete Interest Period shall be calculated on the basis of the number of days in the relevant Accrual Period divided by the product of the number of days in the Interest Period in which the relevant Accrual Period falls and the number of Interest Periods normally ending in any year.

(b) **Accrual of Interest**

Each Bond will cease to bear interest: (i) where the Exchange Right shall have been exercised in respect thereof, from, and including, the Interest Payment Date immediately preceding the relevant Exchange Date or, if none, the Closing Date (subject in any such case as provided in Condition 5(c)) or (ii) where such Bond is redeemed or repaid pursuant to Condition 10 or Condition 13, from, and including, the due date for redemption or repayment unless payment of the full amount due is improperly withheld or refused, in which event such Bond shall continue to bear interest at the rate specified in Condition 5(a) (both before and after judgment) to, but excluding, whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder and (b) the day falling seven days after the Trustee or the Principal Paying, Transfer and Exchange Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is any subsequent default in payment to the relevant Bondholder).

(c) **Interest upon Exchange prior to Early Redemption**

If:

- (i) any notice requiring the redemption of any Bonds is given pursuant to Condition 10(b) on or after (or within 15 days before) the record date or other due date for the establishment of entitlement in respect of any dividend, distribution or interest payable in respect of the Heineken Holding Shares (or other Relevant Securities comprising on such date more than one-quarter by Value of the Exchange Property);
- (ii) such notice specifies a date for redemption falling on or before (or within 14 days after) the Interest Payment Date next following such record date; and
- (iii) the Exchange Date in respect of any Bond which is the subject of any such notice (a “**Relevant Bond**”) falls after such record date or other due date for the establishment of entitlement in respect of any such dividend, distribution or interest and on or before the Interest Payment Date next following such record date or other due date for the establishment of entitlement to such dividend, distribution or interest,

then interest shall accrue on each Relevant Bond from, and including, the preceding Interest Payment Date (or, if the relevant Exchange Date falls on or before the first Interest Payment Date, from, and including, the Closing Date) to, but excluding, the relevant Exchange Date.

The Issuer shall pay or procure the payment of any such interest not later than 14 days after the relevant Exchange Date (or if such day is not a TARGET Business Day, the next following TARGET Business Day) by transfer to a euro account maintained by the holder with a bank in a city in which banks have access to the TARGET System in accordance with instructions given by the relevant Bondholder in the relevant Exchange Notice.

6 **Exchange Right**

(a) **Exchange Period, Exchange Rights and Cash Election**

- (i) Subject to the right of the Issuer to make a Cash Election, each Bondholder shall have the right to exercise its option to exchange all or any of its Bonds at any time during the Exchange Period

referred to below for a *pro rata* share of the Exchange Property relative to each Bond so exchanged as at the relevant Exchange Date as calculated by the Calculation Agent. Such exchange of a Bond for a *pro rata* share of the Exchange Property in respect of such Bond (and/or, as the case may be, for payment of the Cash Alternative Amount) is referred to herein as an “**exchange**” and the right of a Bondholder to exercise its option to require an exchange is herein referred to as the “**Exchange Right**”. Upon exercise of Exchange Rights, the Issuer shall (subject to the right of the Issuer to make a Cash Election and in respect of the Exchange Property to which such Cash Election relates) in respect of each Bond the subject of such exercise, deliver or procure the delivery of the relevant *pro rata* share of the Exchange Property relative to each Bond so exchanged as provided in these Conditions.

- (ii) Subject to applicable law and as provided in Condition 6(a)(iii) and save as provided in these Conditions, the Exchange Right relating to any Bond may be exercised by the holder thereof, at any time during the period from (and including) 6 April 2023 up to (and including) the close of business (at the place where the Bond is deposited for exchange) on the date which is 10 London business days prior to the Final Maturity Date or if such Bond is to be redeemed pursuant to Condition 10(b) prior to the Final Maturity Date, then up to (and including) the close of business (at the place aforesaid) on the date which is 10 London business days prior to the date fixed for redemption thereof, unless there shall be a default in making payment in respect of such Bond on such date fixed for redemption, in which event the Exchange Right shall extend (the “**Extension Period**”) up to (and including) the close of business (at the place aforesaid) on the date on which the full amount of such payment has been received by the Trustee or the Principal Paying, Transfer and Exchange Agent and notice thereof has been duly given to the Bondholders accordance with Condition 18 or, if earlier, the Final Maturity Date, provided that, in each case, if such final date for the exercise of Exchange Rights is not a business day at the place aforesaid, then the period for exercise of Exchange Rights by Bondholders shall end on the immediately preceding business day at the place aforesaid.

Exchange Rights may not be exercised in respect of a Bond where the holder shall have exercised its right to require redemption pursuant to Condition 10(c) unless there is default by the Issuer in redeeming the relevant Bonds. In such circumstances Exchange Rights in respect of such Bond shall extend for the Extension Period in the manner *mutatis mutandis* prescribed in this Condition 6(a)(ii).

- (iii) If the Trustee shall give notice to the Issuer declaring the Bonds to be immediately due and repayable pursuant to Condition 13, notice of such fact shall forthwith be given by the Issuer to the Bondholders in accordance with Condition 18 and each Bondholder shall (whether or not the Exchange Right attaching to its Bond is then otherwise exercisable) be entitled, at any time after the date on which the Bonds become so due and repayable (the “**Due Date**”) until the date being the last day of the period of 14 days after the Due Date (but not thereafter), to elect (by delivering in accordance with the provisions of this Condition 6 a duly signed and completed Exchange Notice, together with the relevant Bond, to the specified office of any Paying, Transfer and Exchange Agent or by electronic means) in lieu of having its Bond repaid, to exercise the Exchange Right in respect of such Bond as at the Due Date (and references to the Exchange Date shall be construed as being the Due Date), save that no such election may be made in respect of a Bond on or after the Due Date (provided that payment in full of all amounts then due on the relevant Bond is made). Subject as provided in this Condition 6, Exchange Rights shall lapse in the event that the Trustee shall give notice to the Issuer that the Bonds are immediately due and repayable pursuant to Condition 13 (or if, in the limited circumstances provided in Condition 13,

the Bonds become due and payable without any declaration, notification or other act on the part of the Trustee).

- (iv) Save where a notice of redemption is given by the Issuer in circumstances provided in Condition 5(c), Exchange Rights may not be exercised by a Bondholder in respect of the Bond in circumstances where the relevant Exchange Date would fall during the period commencing on the Record Date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive).
- (v) The period during which Bondholders shall be entitled to exercise Exchange Rights pursuant to these Conditions is referred to as the “**Exchange Period**”.
- (vi) Other than where a Cash Election is made by the Issuer and in respect of the Exchange Property to which such Cash Election relates, upon a due exercise of Exchange Rights the relevant Bondholder shall be entitled to receive a *pro rata* share of the Exchange Property relative to each Bond so exchanged calculated by the Calculation Agent as at the relevant Exchange Date.
- (vii) No fraction of a Relevant Security or any other property comprised in the Exchange Property which is not divisible shall be delivered on exercise of the Exchange Rights and the Issuer shall not be under any obligation to make any payment to Bondholders in respect of any such fraction and any such fraction (subject to paragraph (viii) below) will be rounded down by the Calculation Agent to the nearest whole multiple of a Relevant Security or unit of any such other property.
- (viii) If more than one Bond is to be exchanged by a Bondholder pursuant to any one Exchange Notice, the Exchange Property to be delivered and any sum payable to that Bondholder (including, where applicable, any Cash Alternative Amount) shall be calculated by the Calculation Agent on the basis of the aggregate principal amount of such Bonds.

(b) ***Procedure for exercise of Exchange Rights***

- (i) Exchange Rights may be exercised by a Bondholder during the Exchange Period by delivering the relevant Bond to the specified office (or by electronic means) of any Paying, Transfer and Exchange Agent, during its usual business hours, accompanied by a duly completed and signed notice of exchange (an “**Exchange Notice**”) in the form (for the time being current) obtainable from any Paying, Transfer and Exchange Agent.

Exchange Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying, Transfer and Exchange Agent to whom the relevant Exchange Notice is delivered is located.

If such delivery is made after the end of normal business hours or on a day which is not a business day in the place at the specified office of the relevant Paying, Transfer and Exchange Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day. An Exchange Notice can be deemed received by a Paying, Transfer and Exchange Agent if sent by electronic means.

An Exchange Notice, once delivered, shall be irrevocable.

Any determination as to whether any Exchange Notice has been duly completed and properly delivered shall be made by the relevant Paying, Transfer and Exchange Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Paying, Transfer and Exchange Agents and the relevant Bondholder.

A Bondholder exercising Exchange Rights will be required to certify in the relevant Exchange Notice (a “**U.S. Certification**”) that (A) it and any person for whom it is acquiring Heineken Holding Shares or other Exchange Property on such exercise is not a “U.S. person” within the meaning of Regulation S (“**Regulation S**”) under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and it is not acting as, or as agent for or on behalf of, a U.S. person; (B) it understands that the Heineken Holding Shares and/or any other part of the Exchange Property to be delivered upon such exercise have not been registered under the Securities Act and (C) it is located outside the United States (within the meaning of Regulation S), is acquiring the Heineken Holding Shares and/or any other part of the Exchange Property to be delivered upon such exercise in an “offshore transaction” (as defined in Regulation S) in accordance with Rule 903 or 904 of Regulation S and understands that the Heineken Holding Shares and/or any other part of the Exchange Property may not be delivered within the United States upon such exercise and may not be resold in the United States except pursuant to an exemption from the registration requirements of the Securities Act. If such U.S. Certification is not provided, the relevant Exchange Notice shall be void.

Upon exercise of Exchange Rights, a Bondholder shall, in the relevant Exchange Notice, specify a euro account with a bank in a city in which banks have access to the TARGET System to which any cash amount payable on or in respect of the exercise of Exchange Rights by that Bondholder shall be credited and the Issuer shall pay such sum to the relevant Bondholder in accordance with any such directions.

Exchange Rights may only be exercised in respect of an authorised denomination.

Where Exchange Rights are exercised in respect of part only of a Bond, the old Bond shall be cancelled and a new Bond for the balance thereof shall be issued in lieu thereof without charge but upon payment by the holder of any taxes, duties and other governmental charges payable in connection therewith and the Registrar will within seven business days, in the place of the specified office of the Registrar, following the relevant Exchange Date deliver such new Bond to the relevant Bondholder at the specified office of the Registrar or (at the risk and, if mailed at the request of the Bondholder otherwise than by ordinary mail, at the expense of the Bondholder) mail the new Bond by uninsured mail to such address as the Bondholder may request.

The exchange date in respect of a Bond (the “**Exchange Date**”) in respect of which the Exchange Right shall have been exercised by a Bondholder will be the London business day immediately following the date of the delivery (or deemed date of delivery) of the Exchange Notice and the relevant Bond as provided in this Condition 6(b).

The Issuer will pay any stamp, registration, documentary, transfer or other similar taxes or duties (including penalties) (if any) arising on the transfer or delivery of any Exchange Property to or to the order of a Bondholder pursuant to the exercise of Exchange Rights (“**Stamp Taxes**”) which are payable or imposed in Mexico, the United Kingdom and/or the jurisdiction in which the relevant Exchange Property is situated (and for this purpose any securities in registered form comprising Exchange Property shall be deemed to be situated in the jurisdiction in which the register (or in the case of more than one register, the principal register) on which title to and transfers of such securities are recorded or maintained is located) or imposed or payable by virtue of the place of incorporation, domicile or tax residence of the issuer of any Relevant Securities comprised in the relevant *pro rata* share of the Exchange Property, and all other costs, fees and expenses in connection with the transfer or delivery of Exchange Property on exercise of Exchange Rights, including the costs, fees and expenses of any custodian, depositary, agent or other entity facilitating the relevant transfer or delivery (together “**Exchange Expenses**”).

Subject to the above, a Bondholder exercising Exchange Rights must pay directly to the relevant authorities any other taxes and capital, stamp, issue, registration, documentary, transfer or other duties (including penalties and interest) not mentioned above or arising in any jurisdiction not mentioned above on exchange and/or on the transfer, delivery or other disposition of Exchange Property arising on exercise of Exchange Rights.

None of the Trustee, any Paying, Transfer and Exchange Agent or the Calculation Agent shall be responsible for determining whether any Stamp Taxes or Exchange Expenses are payable or the amount thereof and it shall not be responsible or liable for any failure by the Issuer to pay such Stamp Taxes or Exchange Expenses.

If the Issuer shall fail to pay any Stamp Taxes or Exchange Expenses for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same, and the Issuer, as a separate and independent stipulation, covenants to reimburse each such Bondholder in respect of the payment of such Stamp Taxes or Exchange Expenses and any penalties (other than any penalties attributable to the delay or default of the relevant Bondholder) payable in respect thereof.

Each Bondholder must pay all, if any, taxes (including penalties and interest) imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Exchange Rights by it.

- (ii) Other than where a Cash Election is made by the Issuer and in respect of the Exchange Property to which such Cash Election relates, the Issuer shall, as soon as practicable, and in any event not later than the Settlement Date:
- (1) in respect of Heineken Holding Shares (or other securities which are for the time being cleared through *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*, trading as Euroclear Nederland (“**Euroclear Nederland**”)) comprising the relevant *pro rata* share of the Exchange Property relative to each Bond so exchanged, effect delivery of such Heineken Holding Shares through Euroclear Nederland to the person designated for the purpose in the relevant Exchange Notice;
 - (2) in respect of other Relevant Securities that are deliverable through a clearing system (other than Euroclear Nederland), by delivery through that clearing system to the account specified in the relevant Exchange Notice;
 - (3) in respect of Relevant Securities not falling within (1) or (2) above, procure that the Relevant Securities comprising the relevant *pro rata* share of the Exchange Property relative to each Bond so exchanged to be delivered on exercise of Exchange Rights are transferred into such name as the Bondholder shall direct pursuant to the Exchange Notice and shall procure that forms of transfer and certificates (if certificates for the Relevant Securities are then generally being issued) together with all other documents of title and evidence of ownership and all other documents necessary to transfer or evidence the transfer of such Relevant Securities will be despatched by mail, and free of charge (but uninsured and at the risk of the person entitled thereto), to such address, subject to applicable securities laws, as the Bondholder may request (as specified in the relevant Exchange Notice); and
 - (4) procure that such documents of title and evidence of ownership of any other Exchange Property to be delivered on exercise of Exchange Rights shall be despatched and that payment of any part of the Exchange Property comprising cash to be delivered on exercise

of Exchange Rights (converted if necessary into euro at the Prevailing Rate on the relevant Exchange Date) shall be made, in each case in accordance with directions given by the relevant Bondholder in the Exchange Notice.

Notwithstanding the above, if the Issuer delivers an Officer's Certificate to the Trustee to the effect that Euroclear Nederland (or, as the case may be, the relevant clearing system through which the transfer of the Heineken Holding Shares or such Relevant Securities is required to be effected as provided above) has been closed for a continuous period of two or more days (excluding Saturdays and Sundays and save by reason of holidays, statutory or otherwise) in the period between the relevant Exchange Date and the relevant Settlement Date, then the Issuer will notify the relevant Bondholder in accordance with Condition 18 or at the address of the Bondholder specified in the relevant Exchange Notice (as the Issuer may determine) and the date for such delivery shall be the later of the final day of the period above and the earliest practicable date on which the relevant Exchange Property may be delivered or transferred to the relevant Bondholder by or through Euroclear Nederland or, as the case may be, the relevant clearing system.

The Issuer shall not be responsible or liable to any person for any delay in the delivery of any property comprising Exchange Property following exercise of Exchange Rights arising as a result of a failure by the relevant Bondholder to supply all information and details as required by the relevant Exchange Notice.

Notwithstanding the above, if, after the relevant Exchange Date, the Exchange Property has changed in whole or in part as a result of an Offer or as a result of a compulsory acquisition procedure in relation to any Equity Shares of a class comprised in the Exchange Property becoming effective, in each case as provided in Condition 8, then the Issuer will notify the relevant Bondholder at the address of the Bondholder specified in the relevant Exchange Notice (unless the Issuer has given notice of such change to Bondholders generally in accordance with Condition 18) and the time for such delivery shall be the longer of such period set out above and the day falling 10 Amsterdam business days after the Offer Consideration Date, unless a longer period is prescribed and required pursuant to applicable law.

If, at any time when the transfer or delivery of any Exchange Property (other than cash) to a Bondholder is required in accordance with these Conditions, such transfer or delivery would, as certified to the Trustee in an Officer's Certificate, be unlawful under the laws of any applicable jurisdiction or contrary to any official declaration, order, directive or regulation in any applicable jurisdiction, the Issuer will notify the relevant Bondholder at the address of the Bondholder specified in the relevant Exchange Notice (unless the Issuer has given notice of such change to Bondholders generally in accordance with Condition 18) and the Issuer will make a cash payment to the relevant Bondholder equal to the aggregate of the Realisation Proceeds in respect of the relevant Exchange Property in lieu of the delivery of such Exchange Property to such Bondholder. The Issuer will pay any such amount to the relevant Bondholder not later than 10 TARGET Business Days after the relevant Settlement Date.

- (iii) Except in respect of any Exchange Property to which a Cash Election relates, a Bondholder shall upon exchange of each Bond, be deemed (subject as provided herein) as between it and the Issuer to be, on the relevant Exchange Date, the holder of record of all Relevant Securities and/or the owner of any other property or assets included in the Exchange Property to be delivered to such Bondholder, and in each case shall be, subject as provided herein, entitled as between it and the Issuer to receive all dividends, interest and other income payments and distributions and rights in respect of such Exchange Property and any Additional Exchange Property declared paid, made

or granted by reference to a record date or other due date for the establishment of entitlement in respect thereof falling on or after such Exchange Date (or, in the case of Additional Exchange Property, the relevant Reference Date).

Subject as provided herein, Exchange Property to be delivered on exercise of Exchange Rights shall not include any dividends or other income thereon or other distributions or rights in respect thereof, declared, paid, made or granted by reference to a record date or other due date for the establishment of the relevant entitlement falling prior to the relevant Exchange Date (or, in the case of Additional Exchange Property, the relevant Reference Date).

Exchange Property (and, where appropriate, any Additional Exchange Property) to be delivered on exercise of Exchange Rights shall rank for and be entitled to all dividends, interest and other income, payments and distributions and rights thereon or in respect thereof declared, paid, made or granted by reference to a record date or other due date for the establishment of entitlement falling on or after the relevant Exchange Date (or, in the case of Additional Exchange Property, the relevant Reference Date).

- (iv) Without prejudice to Condition 6(c) and subject as provided in Condition 6(b)(vi), if:
- (A) the Exchange Date in respect of any Bond shall be on or after the date of any public announcement affecting the composition of any part of the Exchange Property (other than Heineken Holding Shares or other securities in registered form (“**Registered Securities**”) in circumstances where the relevant entitlement is determined by reference to a record date in respect thereof), but before the date on which such change is effective; or
 - (B) the Exchange Date in respect of any Bond shall be on or after the record date or other due date for the establishment of the relevant entitlement in respect of any Rights Issue or any Subdivision, Consolidation or Redenomination or Relevant Event in respect of any Registered Securities comprising Exchange Property but before the date on which any resulting adjustment of the Exchange Property becomes effective in accordance with Condition 7(b); or
 - (C) the Exchange Date in respect of any Bond shall be on or before the record date or other due date for the establishment of the relevant entitlement in respect of any Rights Issue or any Subdivision, Consolidation or Redenomination or Relevant Event in respect of any Registered Securities comprising Exchange Property in circumstances where the Registration Date in respect of such Registered Securities is after such record date or other due date for the establishment of the relevant entitlement and the relevant Bondholder would not otherwise receive the relevant entitlement but the Issuer has received or is entitled to receive such entitlement,

then, in each case, the relevant Bondholder, other than where a Cash Election applies to the relevant exercise of Exchange Rights and in respect of the Exchange Property to which such Cash Election relates and unless the Issuer is able to confer on or deliver to the relevant Bondholder the benefit of the relevant entitlement, shall be entitled to receive, in respect of the exercise of the relevant Exchange Rights, such *pro rata* amount or, as the case may be, further *pro rata* amount of the Exchange Property (“**Additional Exchange Property**”) as would have been receivable had the relevant Exchange Date occurred immediately after the date on which such change in the composition of the Exchange Property or adjustment to the Exchange Property became effective or, as the case may be, had the relevant Registration Date in respect of such Registered Securities been immediately before such record date or other due date for establishment of entitlement, all as determined by the Calculation Agent, and such Additional Exchange Property shall be

delivered to the relevant Bondholder in accordance with instructions contained in the relevant Exchange Notice as soon as practicable following the date (the “**Reference Date**” in respect of such Additional Exchange Property) on which the relevant adjustment to the Exchange Property becomes effective or, as the case may be, the date of the receipt by the Issuer of the relevant Additional Exchange Property (whichever is later).

- (v) If the record date or other due date for the establishment of the relevant entitlement for or in respect of any Dividend, interest or other income, payment or distribution or rights on or in respect of such Exchange Property to be delivered on exercise of Exchange Rights falls on or after the Exchange Date but before the relevant Settlement Date (or any other date from which the relevant Bondholder is treated as the owner of, or entitled to all rights and entitlement to, such Exchange Property) with the effect that the relevant Bondholder is not entitled to such Dividend, interest or other income, payment or distribution of rights, the Issuer will (unless it is able to confer on or deliver to the relevant Bondholder an entitlement to receive such Dividend, interest or other income, payment or distribution or rights or unless and to the extent that the same is taken into account for the purposes of Condition 6(b)(iv) relating to entitlement to Additional Exchange Property):
 - (a) (in the case of Dividends, interest or other income, payment or distributions or rights to be paid or made in cash) pay, or procure the payment to, the exchanging Bondholder in lieu of such Dividend, interest or other income or distribution or rights, an amount equal thereto, converted if necessary into euro at the Prevailing Rate on the date of receipt thereof by the Issuer, all as determined by the Calculation Agent (the “**Equivalent Amount**”). The Issuer will pay the Equivalent Amount, or procure that it is paid, to the relevant Bondholder by not later than 10 TARGET Business Days after the receipt by the Issuer of the relevant cash amount; and
 - (b) (in the case of Dividends or other income or distributions or rights to be satisfied or made otherwise than in cash) deliver, or procure the delivery of, the same to the relevant Bondholder not later than 10 TARGET Business Days after the receipt by the Issuer of such Dividend or other income or distribution or rights. If, at any time when the delivery of any such dividend or other income or distribution or rights is required, delivery would, as certified to the Trustee in an Officer’s Certificate, be unlawful under the laws of any applicable jurisdiction or contrary to any official declaration, order, directive or regulation in any applicable jurisdiction, the Issuer will make a cash payment equal to the aggregate Realisation Proceeds of such dividend or other income or distribution or rights, converted, if necessary into euro at the Prevailing Rate on the date of receipt by the Issuer of the Realisation Proceeds. The Issuer will pay any such amount to the relevant Bondholders not later than 10 TARGET Business Days after the receipt by the Issuer of such Non-Cash Dividend or other income or distribution or rights.

For the purposes of the above, if there is an option to receive the relevant entitlement in the form of a cash amount or otherwise than in cash, the entitlement shall be treated as being paid or made in cash, and accordingly the provisions of (a) above shall apply.

- (vi) If, in respect of any Dividend, interest or other income, payment or distributions or rights to be paid or made in cash, the provisions of Condition 6(b)(v)(a) require an Equivalent Amount or other property to be paid or delivered to a Bondholder and, in respect of such Dividend, interest or other income, payment or distributions or rights, the provisions of Condition 6(b)(iv) require Additional Exchange Property to be delivered to such Bondholder, then the provisions of Condition 6(b)(iv)(a) shall prevail and the relevant Bondholder shall be entitled to receive the

relevant Equivalent Amount, and Condition 6(b)(iv) shall not apply to such dividend, interest or other income, payment or distributions or rights.

(c) **Cash Election**

- (i) Upon the exercise of Exchange Rights by a Bondholder, the Issuer may make an election (a “**Cash Election**”) by giving notice (a “**Cash Election Notice**”) to the relevant Bondholder by not later than the Cash Election Exercise Date, to satisfy all or part of its obligation to deliver Exchange Property in respect of the relevant Bonds on such exercise of Exchange Rights by making payment, or procuring that payment is made, to the relevant Bondholder of the Cash Alternative Amount, together with any other amounts payable by the Issuer to such Bondholder pursuant to these Conditions in respect of, or relating to, the relevant exercise of Exchange Rights, including any interest payable pursuant to Condition 5(c).

Where the Cash Settled Exchange Property is less than all of the Reference Exchange Property in respect of the relevant exercise of Exchange Rights, the Issuer shall deliver such Exchange Property as is equal to the Reference Exchange Property minus the Cash Settled Exchange Property, as provided in these Conditions, together with any other amounts payable by the Issuer to such Bondholder or Bondholders pursuant to these Conditions in respect of, or relating to, the relevant exercise of Exchange Rights including any interest payable pursuant to Condition 5(c).

A Cash Election Notice shall be given to the relevant Bondholder to the email address as provided in the relevant Exchange Notice and to the Principal Paying, Transfer and Exchange Agent, the Trustee and the Calculation Agent.

A Cash Election Notice shall specify the Reference Exchange Property, the Cash Settled Exchange Property, the Cash Alternative Calculation Period and the Cash Alternative Payment Date.

A Cash Election shall be irrevocable.

The Issuer will pay the Cash Alternative Amount, together with any other amount as aforesaid, by not later than the Cash Alternative Payment Date by transfer to a euro account maintained with a bank in a city in which banks have access to the TARGET System in accordance with instructions contained in the relevant Exchange Notice.

For the purposes of these Conditions:

“**Cash Alternative Amount**” means a sum in euro (rounded to the nearest whole multiple of €0.01, with €0.005 rounded up) equal to the arithmetic average of the Value on each Trading Day in the Cash Alternative Calculation Period of the relevant Cash Settled Exchange Property as calculated by the Calculation Agent or if any doubt shall arise as to the appropriate calculation of the Cash Alternative Amount to give the intended result, or if such amount cannot be so determined, the amount determined in such other manner as an Independent Adviser shall consider to be appropriate.

“**Cash Alternative Calculation Period**” means the period of 20 consecutive Trading Days commencing on the second Trading Day following the Cash Election Exercise Date.

“**Cash Alternative Payment Date**” means the date falling five TARGET Business Days after the last day of the Cash Alternative Calculation Period.

“**Cash Election Exercise Date**” means, in respect of an exercise of Exchange Rights by a Bondholder, the fifth Trading Day following the relevant Exchange Date.

“Cash Settled Exchange Property” means, in respect of an exercise of Exchange Rights by a Bondholder, such Exchange Property (which shall be a whole number of the relevant unit of property and shall not exceed the Reference Exchange Property or, as the case may be, the total of the relevant property comprised in the Reference Exchange Property in respect of such exercise) as determined by the Issuer and notified to the relevant Bondholders in the relevant Cash Election Notice; and

“Reference Exchange Property” means, in respect of the exercise of Exchange Rights by a Bondholder, the aggregate of the *pro rata* share of the Exchange Property as at the relevant Exchange Date in respect of all Bonds the subject of such exercise.

- (ii) If and to the extent a Bondholder would otherwise have been entitled to receive, in respect of the exercise of Exchange Rights, any Additional Exchange Property pursuant to Condition 6(b)(iv) or any Equivalent Amount or other property pursuant to Condition 6(b)(v), in circumstances where a Cash Election is made in respect of the relevant exercise of Exchange Rights and to the extent not taken into account in the provisos to the definition of “Value”, the Issuer shall, in lieu of delivering such Additional Exchange Property, pay to the relevant Bondholder an amount (the **“Further Amount”**) equal to the Value of such Additional Exchange Property as at the date on which the relevant change in the composition of the Exchange Property is or would be effective (the **“Change Date”**), and such Further Amount shall be paid by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the TARGET System in accordance with the instructions contained in the relevant Exchange Notice by not later than the date (or if such date is not a TARGET Business Day, the next following TARGET Business Day) which is the later of (a) the date falling five TARGET Business Days after the Change Date and (b) the relevant Cash Alternative Payment Date.

(d) ***No Charges***

The Issuer will not impose or procure the imposition of any costs, fees, charges or expenses on Bondholders on or in respect of the exercise of Exchange Rights or the delivery of any Exchange Property.

7 **The Exchange Property**

(a) ***Initial Exchange Property***

The **“Exchange Property”** as at the Closing Date comprises 5,228,758 Heineken Holding Shares and shall, from time to time, include such other Relevant Securities and other property as may or may be deemed or required to comprise all or part of the Exchange Property pursuant to these Conditions, but excluding any such property as may be deemed to have ceased to form part of the Exchange Property and excluding any Cash Dividend other than to the extent comprising a Capital Distribution and excluding any other income and other benefits, rights and entitlements derived from the Exchange Property except to the extent forming or to form part of or giving rise to an adjustment to the Exchange Property pursuant to these Conditions.

Based on the Exchange Property as at the Closing Date, the pro rata share of the Exchange Property per Bond is 1,045.7516 Heineken Holding Shares in respect of each €100,000 in principal amount of Bonds (equivalent to an initial implied “exchange price” of approximately €95.6250 per Heineken Holding Share) subject to adjustment and rounding pursuant to these Conditions.

All Exchange Property transferred or delivered upon exercise of Exchange Rights shall be transferred or delivered with full title guarantee and free from any and all security interests or other adverse interests.

The Exchange Property is subject to adjustment in accordance with Condition 7 and Condition 8.

(b) ***Adjustments to the Exchange Property***

If at any time any event occurs which may result in any change in composition of the Exchange Property pursuant to paragraphs (i) to (iii) below, the Issuer shall consult with the Calculation Agent, and the Calculation Agent shall determine, on behalf of and at the expense of the Issuer, the appropriate adjustment (if any) to be made to the Exchange Property in accordance with the provisions of paragraphs (i) to (iii) below.

(i) ***Sub-division, Consolidation or Redenomination***

If any Relevant Securities comprising the Exchange Property shall be sub-divided or consolidated, re-classified or re-denominated or in any other manner have their nominal or par value (or the like) changed (“**Sub-division, Consolidation or Redenomination**”) then the securities resulting from such Sub-division, Consolidation or Redenomination so far as attributable to the Relevant Securities comprised in the Exchange Property, shall be included in the Exchange Property with effect from the date such Sub-division, Consolidation or Redenomination takes effect.

(ii) ***Rights Issues***

If further Relevant Securities or other securities, or options, warrants or rights to subscribe or purchase further Relevant Securities or other securities, shall be offered by way of rights to holders of Relevant Securities (a “**Rights Issue**”), then:

(a) If such rights are capable of being publicly traded and can be sold by the Issuer under applicable law and/or the terms of the Rights Issue, by not later than the latest day for accepting or taking up any such rights, (the “**Election Date**”), the Issuer may elect either:

(A) to procure on an arm’s length basis in good faith the sale by a reputable independent broker or investment bank with appropriate expertise selected and appointed by the Issuer of sufficient rights to enable the whole of the balance of such rights to be taken up and procure the application of the proceeds of sale, after the deduction of Permitted Expenses, in the taking up of such rights, with any excess proceeds of sale (but only to the extent the Fair Market Value thereof as at the first date on which such excess proceeds as aforesaid can be determined is in excess of €100) being added to and forming part of the Exchange Property; or

(B) to add or procure that there is added to the Exchange Property such number (rounded down, if necessary, to the nearest whole number) of Relevant Securities or other securities or options, warrants or rights as aforesaid as is determined by dividing (x) the Fair Market Value as at the Determination Date of such number of rights as would have been required to be sold (assuming for this purpose the proceeds of such sale to be the Fair Market Value (determined in accordance with Condition 7(b)(ii)(c)) of such rights as at the Determination Date, but without any deduction) to enable the balance of such rights to be taken up by (y) the exercise, subscription or purchase price (or the like) payable upon exercise of such rights.

In the absence of any such election being notified to the Bondholders in accordance with Condition 18 and to the Trustee by not later than the Election Date, paragraph (B) immediately above shall apply.

- (b) If such rights are not capable of being publicly traded and/or sold by the Issuer under applicable law and/or the terms of the Rights Issue, by not later than the latest day for accepting or taking up any such rights, (the “**Election Date**”), the Issuer may elect either:
- (A) based on advice from an Independent Adviser appointed by the Issuer with a view to realising the value (if any) of such rights to use any part of the Exchange Property comprising cash to take up such rights and/or procure in good faith on an arm’s length basis the sale by a reputable independent broker or investment bank with appropriate expertise selected and appointed by the Issuer of sufficient Relevant Securities to enable (after the deduction of the Permitted Expenses) the whole (or, where any such Relevant Securities are sold (as aforesaid) *cum* such rights, the balance) of such rights to be taken up (or such lower number (which may be none) of rights as may be taken up based on the advice of such Independent Adviser) as aforesaid, with in any such case, any excess proceeds of sale (but only to the extent the Fair Market Value thereof as at the first date on which such excess proceeds as aforesaid can be determined is in excess of €100) being added to and forming part of the Exchange Property; or
 - (B) to add to the Exchange Property such number (if any) (rounded down, if necessary to the nearest whole number) of Relevant Securities of the class to which such rights relate or other securities or options, warrants or rights as aforesaid as is determined to be appropriate by an Independent Adviser to reflect the value (if any) of the rights that would have been capable of being realised by the Issuer pursuant to paragraph (A) immediately above.

In the absence of any such election being notified to the Bondholders in accordance with Condition 18 and to the Trustee by not later than the Election Date, paragraph (B) immediately above shall apply.

- (c) For the purposes of paragraph (a)(B), the Fair Market Value, on any particular day for the purposes of the relevant calculation shall be converted, if necessary, by the Calculation Agent into the currency in which the relevant exercise, subscription or purchase price (or the like) is expressed at the Prevailing Rate on such Trading Day.
- (d) In the case of paragraphs (a)(A) and (b)(A) above, any Relevant Securities or other securities or options, warrants or rights taken up pursuant to this paragraph and any excess proceeds of sale as aforesaid shall upon receipt by the Issuer be added to and form part of the Exchange Property. In the case of paragraphs (a)(B) and (b)(B) above, the relevant addition to the Exchange Property shall be effective on the Trading Day immediately following the relevant determination by the Calculation Agent (in the case of paragraph (a)(B)) or the Independent Adviser (in the case of paragraph (b)(B)).
- (e) Any rights or other property sold (or deemed to have been sold) and any cash applied as provided in paragraph (a)(A) or (b)(A) and the number of rights determined for the purpose of paragraph (a)(B)(x) shall not form or, as the case may be, shall cease to form part of the Exchange Property.
- (f) “**Determination Date**” means, in the case of Condition 7(b)(ii)(a)(B), the first Trading Day on which the relevant rights may be publicly traded.

(iii) *Bonus Issues, Capital Distributions, Reorganisations and Payments*

If any of the following events occurs (each, a “**Relevant Event**”):

- (A) Relevant Securities or other securities are issued credited as fully paid to holders of Relevant Securities comprised in the Exchange Property by way of capitalisation of profits or reserves or otherwise by virtue of being holders of Relevant Securities (other than where the Relevant Event is determined to constitute a Cash Dividend pursuant to paragraph (a) or (b) of the definition of “**Dividend**”); or
- (B) any Capital Distribution is paid or made in respect of any Heineken Holding Shares or Equity Share Capital comprised in the Exchange Property; or
- (C) subject to Condition 7(g)(B) a Relevant Company (or any person on behalf of or at the direction or request of, or pursuant to an arrangement with, a Relevant Company) purchases or redeems any Relevant Securities of a class comprised in the Exchange Property; or
- (D) pursuant to any scheme of arrangement, reorganisation, amalgamation, reconstruction, merger, demerger or any like or similar event of any company or companies (whether or not involving liquidation or dissolution), any further Relevant Securities or other securities, property or assets (including cash) are issued, distributed or otherwise made available to holders of Relevant Securities or other securities of a class comprised in the Exchange Property, or
- (E) any cash amount is paid or distributed in whatever manner (including by way of payment of interest, distribution, Dividend, repayment of principal or capital or redemption monies) or any securities or other property is distributed, issued, transferred or delivered in whatever manner, in each case in respect of any Relevant Securities or other property or assets (in each case, other than Heineken Holding Shares or Equity Share Capital) comprised in the Exchange Property,

then the further Relevant Securities, securities or other property or assets (including cash amounts) received in relation to the Relevant Event, so far as attributable to the Exchange Property or, as the case may be, the relevant Capital Distribution in respect of the Heineken Holding Shares or Equity Share Capital comprised in the Exchange Property, shall be included as part of the Exchange Property at such time as such Relevant Securities, securities or other property or assets (including cash amounts) would in the ordinary course be received by a holder of such Relevant Securities (and, if applicable, applied in accordance with Condition 7(e)).

(c) ***Notice of Change in Exchange Property***

The Issuer shall give notice to the Bondholders in accordance with Condition 18 and to the Trustee, the Principal Paying, Transfer and Exchange Agent and the Calculation Agent of any change in composition of the Exchange Property as soon as reasonably practicable following such change, and such notice shall include details of the Exchange Property to which the holder of €100,000 in principal amount of Bonds would be entitled upon exercise of the Exchange Right in respect of such Bond following such change.

(d) ***Release from the Exchange Property***

Upon delivery of the full amount of the Exchange Property required to be delivered and/or payment of the Cash Alternative Amount pursuant to these Conditions on an exercise of Exchange Rights or upon any redemption or purchase and cancellation of the Bonds, the aggregate *pro rata* share of the Exchange Property (determined as at the date for determining the *pro rata* share of the Exchange Property in respect of the relevant exercise of Exchange Rights or, in the case of a redemption of the Bonds, as at the relevant Optional Redemption Date or Put Date (as the case may be) or, in the case of a purchase and cancellation,

as at the date of cancellation of the relevant Bonds) in respect of the relevant Bonds (all as determined by the Calculation Agent) shall cease to be part of the Exchange Property and the Exchange Property shall be reduced accordingly.

(e) ***Purchase of Relevant Securities etc.***

Subject as provided in the last paragraph of this Condition 7(e), if at any time Equity Share Capital is comprised in the Exchange Property and any cash amount or securities or other property is comprised in or is to be added to and form part of the Exchange Property pursuant to these Conditions (other than (i) any additional Equity Share Capital of a class already comprised in the Exchange Property or (ii) as included in the Offer Consideration under Condition 8) before the Exchange Rights lapse, then such cash amount or securities or other property shall not be added to or form part of the Exchange Property and instead there shall be added to the Exchange Property such additional Equity Share Capital of the class then comprised in the Exchange Property (and where at the relevant time the Exchange Property comprises more than one class of Equity Share Capital, further Equity Share Capital of each such class on a *pro rata* basis (as determined by reference to the Value of each such class of Equity Share Capital comprised in the Exchange Property as at the Trading Day which immediately precedes the date on which the relevant cash amount or securities or other property would otherwise be added to the Exchange Property pursuant to these Conditions)) as is determined by the Calculation Agent by dividing (x) the Fair Market Value of such cash amount or securities or other property (or, where at the relevant time the Exchange Property comprises more than one class of Equity Share Capital as aforesaid, in respect of each such class of Equity Share Capital, the proportion of the Fair Market Value of such cash amount or other property determined on a *pro rata* basis as provided above) as at the date (for the purpose of this paragraph, the “**Calculation Date**”) which is the Trading Day immediately following the date on which the relevant cash amount or securities or other property would otherwise be added to the Exchange Property pursuant to these Conditions (converted, if necessary, by the Calculation Agent into the currency in which the Fair Market Value is determined pursuant to (y) below at the Prevailing Rate on such Trading Day) by (y) the Fair Market Value (disregarding for this purpose proviso (A) to the definition of “Fair Market Value”) of the relevant Equity Share Capital as at the first Trading Day (for such Equity Share Capital) immediately following (AA) the Calculation Date or (BB) if later, the first day on which the Fair Market Value of such cash amount or securities or other property can be determined as aforesaid.

If any cash amount is to be added to and form part of the Exchange Property in circumstances where the Exchange Property comprises solely cash, such cash amount (converted, if necessary, into euro at the Prevailing Rate prevailing on the date of receipt of such cash amount) shall be, or as the case may be, shall be added to, the Exchange Property and thereafter the Exchange Property shall comprise and remain solely cash. No interest shall accrue on or in respect of any such cash amount.

(f) ***Voting Rights etc.***

Bondholders and the Trustee shall have no voting rights in respect of the Heineken Holding Shares or any other part of the Exchange Property prior to their delivery or transfer to the relevant Bondholder (or as it may direct) upon exercise of Exchange Rights.

In exercising any voting rights attaching to the Heineken Holding Shares and/or other Relevant Securities that it may have or making any such election to which it may be entitled, neither the Issuer nor any other relevant member of its group, is obliged to take account of the interests of the Bondholders and accordingly any such person may act in a manner which is contrary to or may not be in the best interests of the Bondholders.

(g) ***Maintenance of Exchange Property***

Exchange Rights are not exercisable in respect of any specific Heineken Holding Shares or other property comprising Exchange Property from time to time and no specific Heineken Holding Shares or other Exchange Property has been or will be charged or otherwise placed in custody or set aside to secure or satisfy the Issuer's obligations in respect of the Exchange Rights. At any time the Issuer may or may not be the owner of the whole or any part of the specific Heineken Holding Shares or other property comprising Exchange Property from time to time and the Issuer is not under any obligation to hold any specific Heineken Holding Shares or other Exchange Property and may sell or otherwise dispose of the same or take any action or exercise any rights or options in respect of the same at any time. The composition of the Exchange Property may also change as a result of the operation of the Conditions.

The arrangements described herein in relation to the Exchange Property do not amount to any security interest in favour of the Trustee or the Bondholders to secure the debt obligations of the Bonds or to secure performance of the Exchange Rights thereunder.

Accordingly, if the Issuer at any time holds any specific Heineken Holding Shares or other property comprising Exchange Property from time to time and the Issuer is or becomes insolvent, bankrupt or in liquidation, such specific Heineken Holding Shares or other Exchange Property will form part of the assets of the Issuer available on a *pari passu* basis to all its unsecured creditors (subject to any statutory preferences to certain creditors that are granted pursuant to applicable law).

(A) *Ownership of Exchange Property*: At any particular time, the Issuer may or may not hold or be the beneficial owner of sufficient Exchange Property required to be delivered on exercise of Exchange Rights or otherwise pursuant to these Conditions in respect of all outstanding Bonds. However, these Conditions shall be read and construed as though at all times the Issuer were the holder and beneficial owner of sufficient Exchange Property as is required to be delivered on exercise of Exchange Rights or otherwise pursuant to these Conditions in respect of all outstanding Bonds. Accordingly (whether or not the Issuer shall hold or be the beneficial owner of any Exchange Property), subject as provided in (B), for the purposes of determining whether and to what extent any adjustment should be made to the Exchange Property at any time, for the purposes of these Conditions, the Issuer shall be deemed to be entitled to receive such further or other Heineken Holding Shares, Relevant Securities, securities, property or assets including cash and/or consideration on the date the Issuer would have been entitled to receive the same, and be entitled to make any relevant elections in respect thereof or relating thereto, as it would have been entitled to receive and/or make had it at all relevant times been the holder and beneficial owner of sufficient Exchange Property to satisfy the exercise of Exchange Rights or otherwise required to be delivered pursuant to these Conditions in respect of all outstanding Bonds, and references in these Conditions to the Exchange Property being adjusted shall be construed accordingly. In particular (and without limitation):

(i) *Realisation Proceeds, Sales and Applications*: If at any time when the Realisation Proceeds of any property or the proceeds of sale of any property or the application of cash and/or proceeds of sale in the purchase of any property or other assets are to be determined, such determination shall be made as if (whether or not such is the case) the Issuer had at the relevant time been the holder and beneficial owner of sufficient Exchange Property or other property or assets and in any such case had sold the relevant property and applied the relevant cash and/or other proceeds (as the case may be) as provided in these Conditions;

- (ii) *Time or date of receipt*: any reference in the Agency Agreement or these Conditions to the time or date of receipt by the Issuer of any property or assets shall be construed as a reference to the time at, or date on, which the Issuer receives or, if it does not hold the relevant Exchange Property at the relevant time, would otherwise have received or would have first been entitled to receive the same had it been the holder of the relevant Exchange Property;
 - (iii) *Offers*: for the purposes, and subject to the provisions, of Condition 8, the Issuer shall be entitled to elect to be treated (if permitted pursuant to applicable law) as accepting (including as to any alternative consideration) or rejecting such Offer in respect of the Relevant Securities the subject of such Offer and subject to the provisions of Condition 8 (whether or not it accepts or rejects such Offer or accepts the same alternative consideration in respect of any Relevant Securities held by it).
- (B) *Purchase or Redemption of Relevant Securities*: Condition 7(b)(iii)(C) shall be disregarded unless after the occurrence of the Relevant Event the total outstanding Relevant Securities are less than the number required to be comprised in the Exchange Property, in which case to the extent of such shortfall, the Issuer shall be treated as if it were the holder and beneficial owner of such Relevant Securities and the provisions of Condition 7(b)(iii)(C) shall apply accordingly in respect of the number of Relevant Securities representing such shortfall.
- (h) ***Other Adjustments to the Exchange Property and Contemporaneous Events***

If, having first consulted with the Calculation Agent, the Issuer determines that:

- (i) an adjustment should be made to the Exchange Property as a result of one or more events or circumstances not referred to in Condition 7(b)(i), 7(b)(ii) or 7(b)(iii), even if the relevant event is or circumstances are specifically excluded from the operation of Condition 7(b)(i), 7(b)(ii) or 7(b)(iii); or
- (ii) more than one event which gives rise or may give rise to an adjustment to the Exchange Property has occurred or will occur within such a short period of time that a modification to the operation of the adjustment provisions is required in order to give the intended result; or
- (iii) one event which gives rise or may give rise to more than one adjustment to the Exchange Property has occurred or will occur such that a modification to the operation of the adjustment provisions is required in order to give the intended result,

the Issuer shall acting reasonably, request an Independent Adviser to determine as soon as practicable what adjustment (if any) to the Exchange Property is fair and reasonable to take account thereof and the date on which such adjustment should take effect and upon such determination the Issuer shall procure that such adjustment (if any) shall be made and shall take effect in accordance with such determination provided that such adjustment shall result in an increase to the Exchange Property.

(i) ***Decision of an Independent Adviser or the Calculation Agent***

Any calculation or determination performed or matter or (in the case of the Independent Adviser) opinion considered, by the Calculation Agent or an Independent Adviser, as the case may be, for the purposes of these Conditions shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the Trustee, the Bondholders and the Paying, Transfer and Exchange Agents. The Calculation Agent may consult, at the expense of the Issuer, on any matter, obtain the advice or engage the services of any lawyers, accountants, investment banks or other experts whose advice or services the Calculation Agent may, acting properly, deem necessary, and the Calculation Agent shall be

able to rely upon, and shall not be liable and shall incur no liability as against the Issuer, the Trustee or the Bondholders in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with, any written opinion so obtained. The Calculation Agent or, as the case may be, an Independent Adviser appointed by the Issuer in accordance with these Conditions is acting exclusively as an agent for and upon the request from the Issuer, and in accordance with the Conditions, and will not thereby assume any relationship of agency or trust with, and shall not incur any liability as against the Trustee or the Bondholders. The Calculation Agent shall not be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Exchange Property and will not be responsible or liable to any person for any loss arising from any failure by it to do so. Neither the Trustee nor the Paying, Transfer and Exchange Agents shall be responsible or liable to any person in relation to the determination or calculation of any such adjustment.

If any doubt shall arise as to whether an adjustment falls to be made to the Exchange Property, or as to the appropriate adjustment to the Exchange Property, or as to when such adjustment shall take effect or be deemed to have taken effect, and following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error.

8 General Offers

(a) *Acceptance of Offers*

In the event of an Offer for any Equity Shares, comprised in the Exchange Property, the Issuer shall have absolute discretion to accept such Offer (and as to any alternative consideration) or reject such Offer, provided that the Issuer will not accept such Offer (a) prior to the Specified Date or (b) unless the value of the consideration offered for such Equity Shares pursuant to the Offer or, where there is any alternative consideration, unless the value of the consideration accepted by the Issuer, is equal to or greater than the value of such Equity Shares.

For the avoidance of doubt, (i) the Issuer may announce its intention to accept any Offer prior to the Specified Date, and (ii) if there is more than one simultaneous Offer, the Issuer may accept any such Offer (including the Offer which includes the lowest consideration) or none of such Offers. If the Issuer accepts any Offer in respect of Equity Shares in circumstances where there is alternative consideration, the Issuer will accept or elect for the same consideration in respect of all such Equity Shares.

The value of such Equity Shares and the value of any type of consideration will be determined by an Independent Adviser by reference to market values, where applicable, and such other considerations as the Independent Adviser shall consider appropriate.

The Issuer will not accept any Offer in respect of such part of the Exchange Property which would (disregarding for this purpose, any Cash Election) be deliverable to those Bondholders who have exercised Exchange Rights in respect of Bonds where the relevant Exchange Date falls prior to the commencement of any Suspension Period.

Save as otherwise provided in this Condition 8(a), the Issuer shall at all times be entitled at its discretion, in relation to any shares or other securities owned or controlled by it or in respect of which it is entitled to exercise voting rights (whether or not such shares or securities comprise Exchange Property), to vote on, exercise its rights in respect of, or otherwise participate in (or in any such case refrain from doing so), any scheme of arrangement, reorganisation, amalgamation, merger, demerger or reconstruction of any company or companies or other entity or entities (whether or not involving liquidation or dissolution) as it thinks fit.

The Issuer shall give notice to the Bondholders in accordance with Condition 18 and to the Trustee as soon as practicable upon becoming aware of the existence of any Offer.

In accepting or rejecting any Offer or electing for any alternative consideration or in voting on, exercising its rights in respect of, or otherwise participating in, any scheme of arrangement, compromise, reorganisation, amalgamation, merger, demerger or reconstruction, the Issuer is not obliged to take account of the interests of the Bondholders and accordingly the Issuer may act in a manner which is contrary to the best interests of the Bondholders.

(b) ***Adjustment to Exchange Property***

If the Issuer accepts such Offer and the Offer becomes unconditional in all respects or a compulsory acquisition procedure in relation to any Equity Shares of a class comprised in the Exchange Property becomes effective, then, and in relation to each Bond for which the Exchange Date has not occurred prior to the Final Acceptance Date (or, in the case of a compulsory acquisition procedure as aforesaid, the date such compulsory acquisition procedure is commenced), with effect from the Offer Consideration Date, the Equity Shares the subject of such Offer or compulsory acquisition procedure shall be deemed no longer to form part of the Exchange Property and shall be deemed to be replaced by the consideration in respect of the relevant Equity Shares subject to such Offer or compulsory acquisition or, if there is alternative consideration, such consideration as the Issuer may elect for the purposes of these Conditions, and if the Issuer shall fail to make such election by not later than five London business days prior to the Final Date in respect of the relevant Offer or compulsory acquisition, that consideration as shall be determined by an Independent Adviser to have the greatest value as at the Final Date (the “**Offer Consideration**”).

(c) ***Suspension of Exchange Rights***

The Exchange Rights shall be suspended during the period from and including (i) the Specified Date until the relevant Offer is withdrawn or the relevant Offer lapses or the Final Acceptance Date or, if earlier, until the Final Date and (ii) the date any vote is cast in relation to any applicable scheme referred to in this Condition, which is approved by the required majority, until the same is approved or rejected by any relevant judicial or other authority or otherwise is or becomes or is declared to be effective or the like.

If the Issuer accepts the relevant Offer and the Offer is or becomes unconditional in all respects, Exchange Rights will also be suspended during the period from the Final Acceptance Date, or if earlier, the Final Date until the relevant Offer Consideration Date.

If at any time a compulsory acquisition procedure is commenced in relation to any Equity Shares of a class comprised in the Exchange Property becomes effective, Exchange Rights will also be suspended during the period from and including the date the compulsory acquisition procedure is commenced, to and including the relevant Offer Consideration Date or, if earlier the date such procedure is terminated or cancelled.

The period during which Exchange Rights are suspended pursuant to this Condition 8(c) is referred to as the “**Suspension Period**”.

Notice of any such Suspension Period (including the commencement and termination thereof) will be given by the Issuer to the Bondholders in accordance with Condition 18 and to the Trustee and the Principal Paying, Transfer and Exchange Agent.

If Exchange Rights are exercised such that the relevant Exchange Date would otherwise fall in the Suspension Period, such exercise shall be null and void.

(d) **Premium Compensation Amount**

If the Offer Consideration consists wholly or partly of cash or other property (other than Eligible Equity Shares), such cash or such other property shall be added to and form part of the Exchange Property and if the Exchange Date in respect of any Bond falls after the Offer Consideration Date in respect of the relevant Offer or compulsory acquisition procedure, then the relevant Bondholder shall be entitled to receive, in addition to the relevant *pro rata* share of the Exchange Property pursuant to Condition 6 (or, as appropriate, any Cash Alternative Amount), an amount (rounded to the nearest whole multiple of €0.01, with €0.005 rounded up) (the “**Premium Compensation Amount**”) in respect of each €100,000 in principal amount of Bonds surrendered for exchange calculated by the Calculation Agent in accordance with the following formula:

$$PC = K^2 * (\text{Issue Price} - \text{Initial Parity}) * (T/C) * (CB/(CB+CS))$$

Where:

PC	=	Premium Compensation Amount per Bond
K	=	the lesser of (a) Initial Parity/MP and (b) MP/Initial Parity
Issue Price	=	€100,000
Initial Parity	=	€78,431.37
CB	=	the Offered Cash Amount
CS	=	the Offered Property Value
MP	=	the Value of the <i>pro rata</i> share of the Exchange Property per Bond in the authorised denomination on the Final Date
C	=	1,096 days, being the number of days from (but excluding) the Closing Date to (and including) the Final Maturity Date
T	=	the number of days from (but excluding) the Final Date to (and including) the Final Maturity Date (which shall be zero if the Final Date occurs after such date)

The provisions of this Condition 8 shall apply *mutatis mutandis* to any subsequent Offer or compulsory acquisition procedure, with the result that such Bondholder may become entitled to receive more than one Premium Compensation Amount.

Any Premium Compensation Amount payable on exercise of Exchange Rights shall be paid by not later than the relevant Settlement Date by transfer to a euro account with a bank in a city where banks have access to the TARGET System in accordance with instructions contained in the relevant Exchange Notice.

(e) **Subsequent Offers**

The provisions of this Condition 8 shall apply *mutatis mutandis* to any subsequent Offer, with the result that such Bondholder may become entitled to receive more than one Premium Compensation Amount.

(f) **Self tenders**

If a tender or other offer is made by or on behalf of the issuer of any Relevant Securities comprised in the Exchange Property (or any person associated with such issuer) to purchase or otherwise acquire,

redeem or exchange such Relevant Securities, then for the purposes of these Conditions and for the determination of the composition of the Exchange Property for the purposes of these Conditions only, the Issuer shall not tender or be entitled to be treated as having tendered any such Relevant Securities which are comprised in the Exchange Property or be treated as having accepted any such offer in respect thereof or vote in respect of any such Relevant Securities in relation to any such tender or other offer, nor shall the Issuer exercise or be treated as having exercised any option which it may have in connection therewith or otherwise to require the redemption or repayment of such Relevant Securities.

(g) **Definitions**

As used in these Conditions:

“EEA Regulated Market” means a regulated market as defined by Article 4.1(21) of Directive 2014/65/EU of the European Parliament and of the Council on Markets in Financial Instruments;

“Eligible Equity Shares” means Equity Share Capital of the offeror provided that (i) the offeror is a limited liability company (or equivalent) incorporated in or established under the laws of a European Union member state, a state within the European Economic Area or an OECD member state; and (ii) such Equity Share Capital is listed and admitted to trading on an EEA Regulated Market or on a regulated, regularly operating, internationally recognised stock exchange in an OECD member state; and (iii) the Equity Share Free Float in respect of such Equity Share Capital shall have been not less than 20 per cent. of the issued and outstanding Equity Share Capital on each of the 30 consecutive Trading Days ending on and including the Final Date;

“Equity Share Capital” and **“Equity Shares”** have the meaning provided in Condition 4;

“Equity Share Free Float” means, in respect of any Equity Shares, the aggregate number of such Equity Shares held by persons that own (together with any other person or persons with whom they act in concert, as defined in the Takeover Code of the United Kingdom on Takeovers and Mergers) Equity Shares representing less than 5 per cent. of the total number of such Equity Shares issued and outstanding, as determined by an Independent Adviser, in consultation with the Issuer and where (i) references to **“Equity Shares”** shall include Equity Shares represented by depositary or other receipts or certificates representing Equity Shares; (ii) Equity Shares held by or on behalf of a depositary or custodian or similar person in respect of any such depositary or other receipts of certificates representing Equity Shares from time to time shall be treated as being held by the holder of the relevant depositary or other receipts or certificates and not by such depositary, custodian or similar person; (iii) Equity Shares that have been borrowed and remain borrowed pursuant to any stock lending arrangement shall be treated as not being owned by the relevant lender; and (iv) Equity Shares held by or on behalf of the issuer of such Equity Shares or any subsidiary of such issuer or any person acting in concert with such issuer shall be treated as not constituting part of the Equity Share Free Float;

“Final Acceptance Date” means, in respect of any Offer, the final date for acceptance of such Offer which, if such Offer is extended prior to becoming unconditional, shall be the final date for acceptance of the extended Offer (but, if such Offer is or becomes unconditional, disregarding any additional or further period during which such Offer is open for acceptance);

“Final Date” means, in relation to any Offer, the date the Offer becomes or is declared unconditional in all respects and, in relation to a compulsory acquisition procedure in relation to Equity Shares of a class comprised in the Exchange Property, the date that in accordance with applicable laws, regulations and procedures such compulsory acquisition has become effective;

“**Offer**” means an offer to the holders of (but other than a compulsory acquisition procedure in relation to) any Equity Shares comprising the Exchange Property, whether expressed as a legal offer, an invitation to treat or in any other way, in circumstances where such offer is available to all holders of the applicable Equity Shares (or all or substantially all such holders other than any holder to whom such offer may not be extended pursuant to applicable securities or other laws or who is, or is connected with, or is deemed to be acting in concert with, the person making such offer or to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any stock exchange in any territory, it is determined not to make such an offer);

“**Offer Consideration Date**” means, in relation to any Offer which is accepted by the Issuer or a compulsory acquisition procedure in relation to Equity Shares of a class comprised in the Exchange Property, the date upon which the Offer Consideration is made available to the holders of the relevant Equity Shares;

“**Offered Cash Amount**” means the cash amount in euro (or, where applicable, translated into euro at the applicable Prevailing Rate on the Final Date) comprising the whole or part of the Offer Consideration for one Equity Share in the relevant Offer or compulsory acquisition procedure, as the case may be (other than cash paid in respect of fractional entitlements to the Offered Property) provided that if the Offered Property comprises securities or property other than Eligible Equity Shares, such securities or property will be deemed, for the purpose of this definition to form part of the Offered Cash Amount in an amount equal to their Fair Market Value at the close of business on the Final Date;

“**Offered Property**” means the Offer Consideration for one Equity Share in the relevant Offer or a compulsory acquisition procedure, as the case may be, excluding the Offered Cash Amount;

“**Offered Property Value**” means the Fair Market Value of the Offered Property at the close of business on the Final Date (if not in euro, translated into euro and the applicable Prevailing Rate on the Final Date). In the case of an Offer or a compulsory acquisition procedure, as the case may be, the Offer Consideration in respect of which is entirely in cash or securities or property other than Eligible Equity Shares, the Offered Property Value shall be zero; and

“**Specified Date**” means, in relation to any Offer, five Trading Days (in respect of the Equity Shares subject to the relevant Offer) prior to the Final Acceptance Date.

9 Undertakings

- (a) The Issuer undertakes to make or cause to be made an application for the Bonds to be admitted to trading on the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange within 90 days following the Closing Date, or if obtaining such admission is, in the reasonable opinion of the Issuer, unduly onerous, the Issuer undertakes to make or cause to be made an application for the Bonds to be admitted to trading on another internationally recognised, regularly operating, regulated or non-regulated stock exchange (the “**Admission**”) within 90 days following the Closing Date and, in either case, to maintain such Admission for so long as any of the Bonds remain outstanding or, if it is unable to do so having used all reasonable endeavours or if the Issuer certifies in writing to the Trustee that the maintenance of such Admission is unduly onerous or impractical, use all reasonable endeavours to obtain and maintain a listing of the Bonds on such other internationally recognised, regularly operating, regulated or non-regulated stock exchange(s) or securities market(s) as the Issuer may decide and give notice of the identity of such other stock exchange(s) or securities market(s) to the Bondholders in accordance with Condition 18.
- (b) The Issuer undertakes to provide (i) the notice (and other necessary information) required pursuant to Article 7 of the LMV to the CNBV, no later than one business day in Mexico after the Closing Date, and (ii) an initial notice to the Mexican Tax Administration Service (*Servicio de Administración Tributaria*)

and periodic filings and other information required thereby, for tax purposes, in connection with the Bonds, and, in each case, within the time periods required pursuant to the applicable law.

- (c) The Issuer undertakes to obtain and/or maintain all applicable consents and approvals which are required for the performance of its obligations under the Bonds and the Trust Deed.
- (d) Where these Conditions require or contemplate a sale of any property or assets to be made or procured to be made by the Issuer, the Issuer shall procure that the relevant sale is made as soon as reasonably practicable and in any event, if a payment calculated by reference to any such sale (including payment of the Realisation Proceeds) is to be made pursuant to these Conditions, in such time to enable the relevant payment to be made by the time specified in these Conditions.
- (e) If the appointment of an Independent Adviser is required by these Conditions or if these Conditions relate to any matter to be determined by an Independent Adviser, the Issuer shall procure that the relevant appointment is made as soon as practicable and, in any event, in time to enable the proper operation of the relevant provisions of these Conditions.
- (f) Within 14 days following the occurrence of a Free Float Event, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 18 and to the Trustee (a “**Free Float Event Notice**”). Such notice shall contain a statement informing Bondholders of their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 10(c).

The Free Float Event Notice shall also specify:

- (i) the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 in principal amount of the Bonds as at the last practicable date prior to the publication of the Free Float Event Notice;
- (ii) the last day of the Put Period;
- (iii) the Put Date; and
- (iv) such other information relating to the Free Float Event as the Trustee may require.

Neither the Trustee, the Calculation Agent nor any Paying, Transfer and Exchange Agent shall be required to take any steps to ascertain whether any Free Float Event or any event which could lead to a Free Float Event has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure or delay by it to do so.

- (g) The Issuer shall (i) by no later than the Closing Date, publish a copy of these Conditions (including a legend regarding the intended target market for the Bonds) on its website and (ii) thereafter (and for so long as any of the Bonds remain outstanding) maintain the availability of these Conditions (as the same may be amended in accordance with their terms) on such website.

10 Redemption and Purchase

(a) *Final Redemption*

Unless previously exchanged, redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Final Maturity Date.

The Bonds may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Condition 10(b).

(b) ***Redemption at the Option of the Issuer***

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at their principal amount, together with accrued and unpaid interest to, but excluding, the relevant Optional Redemption Date:

- (i) at any time on or after 25 March 2025 (the “**First Call Date**”), provided that the Value of the *pro rata* share of the Exchange Property attributable to each €100,000 in principal amount of Bonds on each of not less than 20 Trading Days in any period of 30 consecutive Trading Days ending not earlier than the seventh Trading Day prior to the date on which the relevant notice of redemption is given by the Issuer to the Bondholders shall have exceeded €130,000, as verified by the Calculation Agent upon request of the Issuer; or
- (ii) at any time in the period commencing on the date falling 30 days after an Offer Consideration Date and ending 60 days thereafter if, following the relevant Offer or compulsory acquisition procedure (and, for the avoidance of doubt, prior to the date on which the relevant notice of redemption is given), the Exchange Property consists wholly of cash and/or other property (other than Eligible Equity Shares); or
- (iii) at any time if, prior to the date on which the relevant notice of redemption is given Exchange Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Bonds originally issued (which shall for this purpose include any Further Bonds).

In order to exercise such option, the Issuer shall give not less than 30 nor more than 45 days’ notice (an “**Optional Redemption Notice**”) to the Bondholders in accordance with Condition 18 and to the Trustee, specifying the date for redemption (the “**Optional Redemption Date**”).

Any Optional Redemption Notice shall be irrevocable.

On the Optional Redemption Date, the Issuer shall redeem the Bonds at their principal amount, together with accrued but unpaid interest to, but excluding, the relevant Optional Redemption Date.

Any Optional Redemption Notice shall specify (i) the Optional Redemption Date, which shall be a TARGET Business Day, (ii) the last day on which Exchange Rights may be exercised by a Bondholder and (iii) the Value of the *pro rata* share of the Exchange Property as at the most recent practicable date prior to the giving of the relevant Optional Redemption Notice.

(c) ***Redemption at the Option of the Bondholders***

Following the occurrence of a Free Float Event, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Put Date at its principal amount, together with accrued and unpaid interest to, but excluding, the Put Date. To exercise such right, the holder of the relevant Bond must deliver such Bond to the specified office of any Paying, Transfer and Exchange Agent, together with a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of any Paying, Transfer and Exchange Agent (a “**Put Exercise Notice**”), at any time during the Put Period. The “**Put Date**” shall be the 14th day after the expiry of the Put Period (or if that is not a TARGET Business Day, the next following TARGET Business Day).

Payment in respect of any such Bond shall be made by transfer to a euro account with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Put Exercise Notice.

A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Put Exercise Notices delivered as aforesaid on the Put Date. If a Put Exercise Notice is delivered as aforesaid on a day which falls in more than one put period, then such Put Exercise Notice will be deemed to have been received during the first such put period and, accordingly, the Issuer shall redeem the relevant Bonds on the Put Date which falls on the 14th day after the expiry of such first put period (or if that is not a Target Business Day, the next following Target Business Day).

(d) ***Multiple Notices***

If more than one notice of redemption is given pursuant to this Condition 10, the first of such notices to be given shall prevail save that a notice given pursuant to Condition 10(c) shall prevail over a notice given pursuant to Condition 10(b) in circumstances where the Put Date falls prior to the Optional Redemption Date.

(e) ***Purchase***

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and/or trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any of its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price.

(f) ***Cancellation***

Bonds purchased by the Issuer or any of its Subsidiaries may at the option of such person be held, re-issued or sold or surrendered for cancellation. All Bonds redeemed or exchanged or surrendered for cancellation will be cancelled and may not be re-issued or resold.

11 Payments

(a) ***Principal and Interest***

Payment of principal in respect of the Bonds (other than pursuant to Condition 10(c)), payment of accrued interest payable on a redemption of the Bonds (other than pursuant to Condition 10(c)) and payment of any interest due on an Interest Payment Date in respect of the Bonds will be made to the persons shown in the Register at the close of business on the Record Date, and subject to surrender (or in the case of partial payment only, endorsement) of the relevant Bond, at the specified office of any Paying, Transfer and Exchange Agent.

Payment of all other amounts will be made as provided in these Conditions.

(b) ***Method of Payment***

Each payment referred to in Condition 11(a) will be made in euro by transfer to a euro account maintained with a bank in a city in which banks have access to the TARGET System specified by the relevant Bondholder.

(c) ***Record Date***

“**Record Date**” means the third business day, in the place of the specified office of the Registrar, before the due date for the relevant payment.

*All payments in respect of Bonds represented by the Global Bond will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.*

(d) ***Agents***

The names of the initial Paying, Transfer and Exchange Agents and their initial specified offices are set out below. The Issuer reserves the right under the Agency Agreement at any time with the prior written approval of the Trustee to remove any Paying, Transfer and Exchange Agent or the Registrar, and to appoint other or further Paying, Transfer and Exchange Agents or another Registrar, provided that it will at all times (i) maintain a Principal Paying, Transfer and Exchange Agent and a Registrar and (ii) maintain Paying, Transfer and Exchange Agents having specified offices in (1) London and (2) any place required by the rules of any relevant stock exchange if and for so long as the Bonds are listed or admitted to trading on any stock exchange or admitted to listing by any other relevant authority for which the rules require the appointment of a Paying, Transfer and Exchange Agent in any particular place. Notice of any such removal or appointment and of any change in the specified office of any Paying, Transfer and Exchange Agent will be given by the Issuer as soon as practicable to Bondholders in accordance with Condition 18 and to the Trustee.

The Issuer also reserves the right under the Calculation Agency Agreement at any time to vary or terminate the appointment of the Calculation Agent, provided that it will maintain a Calculation Agent which shall be a financial institution of international repute or a financial adviser with appropriate expertise. Notice of any change in the Calculation Agent will be given by the Issuer as soon as practicable to the Bondholders in accordance with Condition 18 and to the Trustee.

(e) ***Payments subject to fiscal laws***

All payments in respect of the Bonds are subject in all cases (i) to any applicable fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to Condition 12 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (“FATCA”) or any law implementing an intergovernmental approach to FATCA.

(f) ***Fractions***

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest such unit.

(g) ***Delay in payment***

If the due date for any payment in respect of any Bond is not a business day, the Bondholder will not be entitled to the relevant payment until the next day which is a business day and Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving any amount due:

- (i) as a result of the due date not being a business day; or
- (ii) if the relevant Bondholder is late in surrendering the relevant Bond (where such surrender is required pursuant to these Conditions as a precondition to payment).

In this Condition 11(g) “**business day**” means a day (other than a Saturday or Sunday) which is a TARGET Business Day and (where surrender of the relevant Bond is required pursuant to these Conditions as a precondition to payment) and which is a business day in the place of the specified office of the Paying, Transfer and Exchange Agent to whom the relevant Bond is surrendered.

12 Taxation

All payments of principal, interest, Cash Alternative Amounts, Premium Compensation Amounts and any other amounts payable in respect of the Bonds shall be made without withholding or deduction (if any) for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Mexico or any authority therein or thereof having power to tax (“**Taxes**”). In the event of any withholding or deduction for any Taxes, including in respect of the delivery of Exchange Property, the Issuer shall pay such additional interest (“**Additional Interest**”) or deliver such Exchange Property as will result in receipt by Bondholders on the respective due dates of such amounts and such Exchange Property as would have been received by them had no such withholding or deduction (including for any Taxes payable in respect of Additional Interest) been required. The foregoing obligation to pay Additional Interest, however, shall not apply in respect of any taxes, duties, assessments or other governmental charges imposed solely because the holder or beneficial owner of the Bonds fails to comply with any certification, identification, information or other reporting requirement concerning its nationality, residence for tax purposes, identity or connection with Mexico if compliance is required by applicable law, regulation, officially published administrative practice of Mexico or by an applicable income tax treaty to which Mexico is a party and which is in full force and effect, as a precondition to exemption from, or reduction in the rate of, such tax, assessment or other governmental charge provided that the Issuer has given Bondholders at least 30 days’ notice (in accordance with Condition 18) prior to (a) the first payment date with respect to which the Issuer applies this provision and (b) in the event of a change in such certification, identification, information or other reporting requirement, the first payment date subsequent to such change.

Further, the limitation on the Issuer’s obligations to pay Additional Interest described above shall not apply if the provision of information, documentation or other reporting requirement would be materially more onerous (in form, in procedure or in the substance of information disclosed) to a Bondholder or beneficial owner of a Bond (taking into account any relevant differences between U.S. and Mexican law, regulation or administrative practice) than comparable information or other reporting requirements imposed under U.S. tax law (including the United States/Mexico Income Tax Treaty), regulations (including proposed regulations) and administrative practice.

Additionally, the limitations on the Issuer’s obligations to pay Additional Interest described above shall also not apply with respect to taxes imposed by Mexico (or any political subdivision or taxing authority thereof), Article 166, Section II, subsection a) of the Mexican Income Tax Law (*Ley del Impuesto Sobre la Renta*) (or a substantially similar successor of such Article, whether included in any law, rule or regulation) in effect unless: (i) the provision of the information, documentation or reporting requirement is expressly required to apply Article 166, Section II, subsection a) of the Mexican Income Tax Law (or a substantially similar successor of such Article, whether included in any law, rule or regulation), (ii) the Issuer cannot obtain the information, documentation or other evidence necessary to comply with the applicable laws on its own through reasonable diligence and (iii) the Issuer otherwise would meet the requirements for application of Article 166, Section II, subsection a), of the Mexican Income Tax Law (or a substantially similar successor of such Article, whether included in any law, rule or regulation). The Issuer shall provide the Trustee with the documentary proof or other relevant documentation (if not in the English language, together with a certified translation), if any (which may consist of certified copies of such documentation), satisfactory to the Trustee evidencing the payment of Mexican Taxes in respect of which the Issuer has paid any Additional Interest. Copies of such documentation shall be delivered promptly by the Issuer to the Paying, Transfer and Exchange Agents and made available for inspection (i) at the specified offices of the Paying, Transfer and Exchange Agents or (ii) electronically following the Bondholder’s prior written request and provision of proof of holding and identity in a form satisfactory to the Paying, Transfer and Exchange Agents.

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any Additional Interest in respect of the Bonds for, or on account of, any withholding or deduction required pursuant to FATCA (including pursuant to any agreement described in Section 1471(b) of the Code) or any law implementing an intergovernmental approach to FATCA.

References in these Conditions to principal and/or interest and/or any other amounts payable in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

13 Events of Default

If any of the following events (other than an event specified in paragraph (vi) or (viii)) occurs and is continuing, then the Trustee at its discretion may and, if so requested in writing by holders of at least one quarter in principal amount of the outstanding Bonds and/or if so directed by an Extraordinary Resolution, shall (subject in any case to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction) give written notice to the Issuer declaring the Bonds to be immediately due and payable, whereupon they shall become immediately due and repayable at the Relevant Amount. If any event specified in paragraph (vi) - (viii) occurs, the Bonds shall become immediately repayable at the Relevant Amount, without any declaration, notification or other act on the part of the Trustee or any holder of the Bonds:

- (i) default by the Issuer in the payment of any interest, Cash Alternative Amount, Premium Compensation Amount or any other amount (other than principal and any Additional Interest in respect thereof) when it becomes due and payable, and continuance of such default for a period of 30 days or default by the Issuer in the performance of its obligations under these Conditions or the Trust Deed in respect of the exercise of Exchange Rights in respect of any of the Bonds and continuance of such default for a period of 30 days; or
- (ii) default by the Issuer in the payment of the principal (including any Additional Interest in respect thereof) on any Bonds when due and payable; or
- (iii) default in the performance, or breach, of any other covenant or undertaking of the Issuer in these Conditions or the Trust Deed, and continuance of such default or breach for a period of 90 days after there has been given notice, by registered or certified mail, to the Issuer by the Trustee (at the written request of Bondholders of a majority in principal amount of the Bonds for the time being outstanding) specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; or
- (iv) a default or defaults under any bond, debenture, note or other evidence of Indebtedness of the Issuer or any Significant Subsidiary, whether such Indebtedness now exists or shall hereafter be created; provided that such default or defaults, individually or in the aggregate, (A) shall constitute a failure to pay the principal at maturity of Indebtedness in an amount in excess of U.S.\$150 million (or the equivalent thereof in other currencies) or (B) shall have resulted in Indebtedness with an aggregate principal amount in excess of U.S.\$150 million (or the equivalent thereof in other currencies) (or any portion thereof having an aggregate principal amount in excess of U.S.\$150 million or such equivalent thereof) becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable; or
- (v) a final judgment or judgments (not subject to appeal) for the payment of money are entered against the Issuer and/or any one or more of its Significant Subsidiaries in an aggregate amount in excess of U.S.\$150 million (or the equivalent thereof in other currencies), by a court or courts of competent jurisdiction, which judgment(s) (A) are neither discharged nor bonded in full within 90 days or (B) if bonded in full within such 90-day period, cease to be fully bonded, and continuance of such default or

breach for a period of 10 days after there has been given, by registered or certified mail, to the Issuer by the Trustee (at the written request of Bondholders of a majority in principal amount of the Bonds for the time being outstanding) a notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; or

- (vi) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Issuer or any Significant Subsidiary in an involuntary case or proceeding under any applicable bankruptcy, insolvency, suspension of payments, *concurso mercantil*, *quiebra*, reorganisation or other similar law, or (B) a decree or order adjudging the Issuer or any Significant Subsidiary a bankrupt or insolvent, or suspending payments, or approving as properly filed a petition seeking reorganisation, arrangement, adjustment or composition of, or in respect of, the Issuer or any Significant Subsidiary under any applicable law, or appointing a custodian, receiver, liquidator, assignee, trustee, *síndico*, *conciliador*, *sequestrator* or other similar official of the Issuer or any Significant Subsidiary or of any substantial part of the property of the Issuer or any Significant Subsidiary, or ordering the winding up or liquidation of the affairs of the Issuer or any Significant Subsidiary, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or
- (vii) the commencement by the Issuer or any Significant Subsidiary of a voluntary case or proceeding under any applicable bankruptcy, insolvency, *concurso mercantil*, reorganisation or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by the Issuer or any Significant Subsidiary to the entry of a decree or order for relief in respect of the Issuer or any Significant Subsidiary in an involuntary case or proceeding under any applicable bankruptcy, insolvency, suspension of payments, reorganisation or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Issuer or any Significant Subsidiary, or the filing by the Issuer or any Significant Subsidiary of a petition or answer or consent seeking reorganisation or relief under any applicable law or the consent by the Issuer or any Significant Subsidiary to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, *síndico*, *conciliador*, *sequestrator* or similar official of the Issuer or any Significant Subsidiary or of any substantial part of the property of the Issuer or any Significant Subsidiary, or the making by the Issuer or any Significant Subsidiary of an assignment for the benefit of creditors, or the admission by the Issuer or any Significant Subsidiary in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Issuer or any Significant Subsidiary in furtherance of any such action (evidenced by the adoption of a corporate resolution in favour of any such actions or an action of any of the officers of the Issuer or such Significant Subsidiary that similarly binds the Issuer or such Significant Subsidiary, as the case may be); or
- (viii) it is or will become unlawful for the Issuer to perform or comply with any of its obligations in relation to the Exchange Rights of a Bondholder,

“**Relevant Amount**” means, in respect of each €100,000 in principal amount of Bonds, an amount equal to such principal amount, together with accrued but unpaid interest thereon, save that if the relevant Event of Default occurs as a result of or in connection with a failure by the Issuer to comply with any of its obligations in relation to the exercise of Exchange Rights, it means an amount in cash equal to the higher of:

- (i) the Value of the *pro rata* share of the Exchange Property and any other amounts which would have been payable and/or deliverable on exchange in respect of such principal amount of Bonds had the date of such declaration of the relevant Event of Default (or upon which the Bonds became due and payable as a result of any event specified in paragraph (vi) or (vii) above) been the Exchange Date; and

- (ii) such principal amount, together with accrued and unpaid interest to, but excluding, the date of such declaration of the relevant Event of Default (or upon which the Bonds became due and payable as a result of any event specified in paragraph (vi) or (vii) above).

References in these Conditions and the Trust Deed to the principal amount of the Bonds shall, unless the context otherwise requires, include the Relevant Amount.

14 Prescription

Claims in respect of the principal amount of the Bonds will become void unless made within 10 years from the appropriate Relevant Date in respect thereof. Claims in respect of interest will become void unless made within 5 years from the Relevant Date in respect thereof.

Claims in respect of any other amounts payable in respect of the Bonds including delivery of the Exchange Property will become void unless made within 10 years following the due date for payment thereof.

15 Meetings of Bondholders, Modification and Waiver, Entitlement of Trustee, Change and Indemnification of Trustee

(a) *Meetings of Bondholders*

The Trust Deed contains provisions for convening meetings of the Bondholders (which need not be a physical meeting and may be by way of conference call, including by use of a videoconference platform or similar) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any provisions of these Conditions or any relevant provisions of the Trust Deed. Such a meeting may be convened by the Issuer or (if indemnified and/or secured and/or prefunded to its satisfaction) the Trustee and shall be convened by the Issuer if the Issuer is requested in writing by Bondholders holding not less than 10 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to change the Final Maturity Date or the First Call Date (other than deferring the First Call Date) or any date for payment of interest or any other amount in respect of the Bonds, (ii) to modify the circumstances in which the Issuer or Bondholders are entitled to redeem the Bonds pursuant to Condition 10(b) or (c), (iii) to reduce or cancel the principal amount of, or any interest on, the Bonds or to reduce the amount payable on redemption of the Bonds, (iv) to reduce the rate of interest in respect of the Bonds or to vary the method or basis of calculating the rate of interest or the basis for calculating any other amount payable in respect of the Bonds, (v) to vary the method or the basis for calculating any amount payable in respect of the Bonds, (vi) to modify the provisions relating to, or cancel the Exchange Rights (other than an increase in the Exchange Property deliverable on exercise of Exchange Rights or an increase in the Cash Alternative Amount and/or Premium Compensation Amount), (vii) to change the currency of the denomination or of any payment in respect of the Bonds, (viii) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution or (ix) to change the governing law of the Bonds, the Trust Deed, the Agency Agreement or the Calculation Agency Agreement, in which case the necessary quorum shall be two or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-half, in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that (i) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in principal amount of the Bonds for the time being outstanding (a “**Written Resolution**”) and (ii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the Bondholders of not less than three-fourths in principal amount of the Bonds outstanding (an “**Electronic Consent**”) shall in each case for all purposes take effect as an Extraordinary Resolution. A Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders. A Written Resolution and/or Electronic Consent will be binding on all Bondholders whether or not they participated in such Written Resolution and/or Electronic Consent, as the case may be, and whether or not they voted in favour of such an Electronic Consent or signed such Written Resolution, as the case may be.

(b) ***Modification and Waiver***

The Trustee may agree, without the consent of the Bondholders, to (i) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement or the Calculation Agency Agreement, any agreement supplemental to the Agency Agreement or the Calculation Agency Agreement, the Bonds or these Conditions which in the Trustee’s opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification (except as mentioned in the Trust Deed) to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement or the Calculation Agency Agreement, any agreement supplemental to the Agency Agreement or the Calculation Agency Agreement, the Bonds or these Conditions, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement or the Calculation Agency Agreement, any agreement supplemental to the Agency Agreement or the Calculation Agency Agreement, the Bonds or these Conditions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may, without the consent of the Bondholders, determine any Event of Default or a Potential Event of Default (as defined in the Trust Deed) should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation or waiver shall be binding on the Bondholders, and such modification shall be notified to the Bondholders in accordance with Condition 18 as soon as practicable thereafter.

(c) ***Substitution***

The Trustee may, without the consent of the Bondholders, agree to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition) as the principal debtor under the Bonds and the Trust Deed of any Subsidiary of the Issuer subject to (a) the Bonds being or remaining unconditionally and irrevocably guaranteed by the Issuer, and (b) the Bonds continuing to be exchangeable for the Exchange Property as provided in these Conditions *mutatis mutandis* as provided in these Conditions, provided that in any such case, certain conditions set out in the Trust Deed are complied with. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. Any such substitution shall be binding on the Bondholders and shall be notified promptly to the Bondholders in accordance with Condition 18.

(d) ***Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Bondholders as a class and, in particular

but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

16 Enforcement

The Trustee may at any time, at its discretion and without notice, take such steps, actions or proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed and the Bonds, but it shall not be bound to take any such steps, actions or proceedings or any other action in relation to the Trust Deed or the Bonds unless (i) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Bondholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

17 The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trustee may rely without liability to Bondholders on a report, confirmation or certificate or any advice of any accountants, financial advisers or investment bank, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee shall be obliged to accept and be entitled to rely on any such report, confirmation or certificate or advice (without further enquiry and without liability to any person) where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Trust Deed and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Bondholders in the absence of manifest error.

18 Notices

All notices required to be given to Bondholders pursuant to these Conditions will (unless otherwise provided in these Conditions) be given by publication through the electronic communication system of Bloomberg. The Issuer shall also ensure that all notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given on the date of such publication or if required to be published in more than one manner or at different times, then such notice shall be deemed to have been given on the date of the publication in each required manner and time. If publication as provided above is not practicable, notice will be given by publication in a newspaper of general circulation in London (which is expected to be the *Financial Times*).

The Issuer shall send a copy of all notices given by it to Bondholders (or a Bondholder) or the Trustee pursuant to these Conditions simultaneously to the Calculation Agent.

For so long as the Bonds are represented by a Global Bond registered in the name of, and held by a nominee on behalf of, a common depository for Euroclear and Clearstream, Luxembourg, notices to Bondholders may be given by the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg as the case may

be, and such notices shall be deemed to have been given to Bondholders on the day of delivery to Euroclear and/or Clearstream, Luxembourg.

19 Replacement of Bonds

If any Bond is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Principal Paying, Transfer and Exchange Agent, subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bonds must be surrendered before replacements will be issued.

20 Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions in all respects as the outstanding Bonds or in all respects except for the first payment of interest on them and the first date on which exchange rights may be exercised and so that such further issue shall be consolidated and form a single series with the Bonds. Any further bonds forming a single series with the outstanding Bonds shall be constituted by a deed supplemental to the Trust Deed.

21 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

22 Governing Law and Jurisdiction

(a) Governing law

The Trust Deed, the Agency Agreement, the Calculation Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Trustee have in the Trust Deed irrevocably submitted to the jurisdiction of such courts and has waived any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum and have waived any right to which either of them shall be entitled, on account of place of residency or domicile.

(c) Agent for Service of Process

The Issuer has irrevocably appointed Law Debenture Corporate Services Limited at its registered office for the time being, currently at 8th Floor, 100 Bishopsgate, London EC2N 4AG as its agent in England to receive service of process in any Proceedings in England. Nothing herein or in the Trust Deed shall affect the right to serve process in any other manner permitted by law. Furthermore, the Issuer has granted a notarised special and irrevocable power of attorney for lawsuits and collections (*poder especial irrevocable para pleitos y cobranzas*) in favour of Law Debenture Corporate Services Limited, as process agent, as required under Mexican law.