

adidas

adidas AG

(a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Federal Republic of Germany, having its corporate domicile in Herzogenaurach, Federal Republic of Germany)

€ 500,000,000 0.000 per cent. Notes due 2024

€ 500,000,000 0.625 per cent. Notes due 2035

adidas AG (the "**Issuer**") will issue on or about September 8, 2020 (the "**Issue Date**") € 500,000,000 0.000 per cent. Notes due 2024 (the "**2024 Notes**") and € 500,000,000 0.625 per cent. Notes due 2035 (the "**2035 Notes**" and together with the 2024 Notes, the "**Notes**"). The 2024 Notes will not bear interest. The 2035 Notes will bear interest from and including September 8, 2020 to, but excluding, September 10, 2035 at a rate of 0.625 per cent. *per annum*, payable annually in arrear on September 10 in each year, commencing on September 10, 2021 (long first coupon).

The 2024 Notes will mature on September 9, 2024 and the 2035 Notes will mature on September 10, 2035. The Issuer may redeem all (but not some only) of the Notes at its option at their principal amount together with interest accrued to the date of such redemption and in the event of certain tax changes as described in the conditions of the Notes (the "**Conditions of Issue**") under "**CONDITIONS OF ISSUE – § 5 Redemption**". Upon the occurrence of a change of control the holder of each Note (the "**Holder**") will have the right to require the Issuer to purchase such Note at its principal amount together with accrued interest as described below in "**CONDITIONS OF ISSUE – § 5 Redemption**". Furthermore, the Issuer may redeem all (but not some only) of the Notes at its option at a date 3 months prior to maturity, for reason of minimal outstanding amount and at the early call redemption amount (make-whole call) all as described below in "**CONDITIONS OF ISSUE – § 5 Redemption**".

This prospectus (the "**Prospectus**") constitutes a prospectus within the meaning of Article 6 of Regulation (EU) 2017/1129 of the European Parliament and the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended (the "**Prospectus Regulation**"). This Prospectus together with all documents incorporated by reference will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu), on the website of the European Securities and Market Authority (www.esma.europa.eu) and on the website of the Issuer (<https://www.adidas-group.com/en/investors/bonds/>).

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. By approving this Prospectus, the CSSF does not give any undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in accordance with Article 6 (4) of the Luxembourg act relating to prospectuses for securities dated July 16, 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en œuvre du règlement (UE) 2017/1129* - the "**Luxembourg Law**").

Application has been made to list the Notes on the official list of the Luxembourg Stock Exchange and admit the Notes to trading on the regulated market "*Bourse de Luxembourg*" operated by the Luxembourg Stock Exchange which is a regulated market appearing on the list of regulated markets issued by the European Securities and Markets Authority (ESMA) pursuant to Directive 2014/65/EU on markets in financial instruments, as amended (a "**Regulated Market**").

The Notes are rated A2 by Moody's France S.A.S. and A+ by S&P Global Ratings Europe Limited.

The Notes are issued in bearer form with a denomination of € 100,000 each. The 2024 Notes have been assigned the following securities codes: ISIN XS2224621347, Common Code 222462134, WKN A3H2X0. The 2035 Notes have been assigned the following securities codes: ISIN XS2224621420, Common Code 222462142, WKN A3H2X1.

Global Coordinator and Active Bookrunner

HSBC

Active Bookrunners

Citigroup J.P. Morgan Mizuho Securities Standard Chartered Bank UniCredit Bank

Passive Bookrunners

BayernLB BNP Paribas BofA Securities Commerzbank Deutsche Bank DZ BANK AG

RESPONSIBILITY STATEMENT

adidas AG ("**adidas**", the "**Issuer**" or the "**company**", and together with its consolidated subsidiaries, the "**adidas Group**" or "**Group**") with its registered office in Herzogenaurach, Germany, accepts responsibility for the information given in this Prospectus including the documents incorporated by reference herein.

The Issuer hereby declares that the information contained in this Prospectus for which it is responsible is, to the best of its knowledge and belief, in accordance with the facts and that this Prospectus makes no omission likely to affect its import.

NOTICE

This Prospectus should be read and understood in conjunction with any supplement hereto and with any documents incorporated herein by reference.

No person is authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer or HSBC Bank plc, Citigroup Global Markets Europe AG, J.P. Morgan Securities plc, Mizuho Securities Europe GmbH, Standard Chartered Bank, UniCredit Bank AG, Bayerische Landesbank, BNP Paribas, BofA Securities Europe SA, Commerzbank Aktiengesellschaft, Deutsche Bank Aktiengesellschaft and DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main (each a "**Bookrunner**" and together the "**Bookrunners**"). Each of the Bookrunners has not independently verified the Prospectus and does not assume any responsibility for the accuracy of the information and statements contained in this Prospectus and no express or implied representations are made by each of the Bookrunners or its affiliates as to the accuracy and completeness of the information and statements herein. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the financial situation of the Issuer or adidas Group since the date of this Prospectus, or, as the case may be, the date on which this Prospectus has been most recently supplemented, or that the information herein is correct at any time since the date of this Prospectus or, as the case may be, the date on which this Prospectus has been most recently supplemented.

Neither the Bookrunners nor any other person mentioned in this Prospectus, except for the Issuer, is responsible for the information contained in this Prospectus or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons makes any representation or warranty or accepts any responsibility as to the accuracy and completeness of the information contained in any of these documents. Each of the Bookrunners has not independently verified any such information and accepts no responsibility for the accuracy thereof.

The distribution of this Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and observe any such restrictions. For a description of the restrictions applicable in the European Economic Area in general, the United States of America and the United Kingdom see "*Selling Restrictions*". In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons.

MiFID II Product Governance – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA and the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the EEA and the UK may be unlawful under the PRIIPs Regulation.

The language of the Prospectus is English. For the purpose of issuing the Notes under German law the German language version of the Conditions of Issue shall be controlling and legally binding.

This Prospectus may only be used for the purpose for which it has been published.

This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer or the Bookrunners that any recipient of the Prospectus should subscribe or purchase any Notes. Each recipient of the Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial and otherwise) of the Issuer.

The validity of the prospectus will expire 12 months after its approval as of the date hereof. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid.

The information on any website included in the Prospectus, except for the website www.bourse.lu in the context of the documents incorporated by reference, do not form part of the Prospectus and has not been scrutinised or approved by the CSSF.

SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION

In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (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 Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding adidas Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including adidas Group's financial condition and results of operations, to differ materially from and be worse than results that

have expressly or implicitly been assumed or described in these forward-looking statements. adidas Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Risk Factors*" and "*General Information about adidas AG and adidas Group*". These sections include more detailed descriptions of factors that might have an impact on adidas Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor the Bookrunners assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

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RISK FACTORS

The following is a description of material risks that are specific to adidas and/or may affect its ability to fulfil its obligations under the Notes and that are material to the Notes in order to assess the market risk associated with these Notes. Prospective investors should consider these risk factors before deciding whether to purchase Notes.

Prospective investors should consider all information provided in this Prospectus and consult with their own professional advisers (including their financial, accounting, legal and tax advisers) if they consider it necessary. In addition, investors should be aware that the risks described might combine and thus intensify one another.

RISK FACTORS REGARDING ADIDAS AG AND ADIDAS GROUP

The risk factors regarding the Issuer are presented in the following categories depending on their nature with the most material risk factor, based on the probability of their occurrence and the expected magnitude of their negative impact, presented first in each category:

1. Risks related to the Issuer's business activities, industry and competition
2. Macroeconomic and external risks
3. Organizational risks
4. Legal and regulatory risks

1. Risks related to the Issuer's business activities, industry and competition

Risks related to the coronavirus outbreak

The global spread of the novel coronavirus (named SARS-CoV-2 / COVID-19) is closely linked to risks in global macroeconomic developments which have had and could continue to have negative effects on the Issuer's business. If the rapid spread of the coronavirus continues, it could further adversely affect the global economy and financial markets, resulting in a prolonged economic downturn and reduced consumer spending. In most countries, governments have reacted with stringent social distancing policies, including curfews, travel restrictions and the closing of retail stores, restaurants, schools and universities. These policies have resulted in a material decrease of overall discretionary retail sales, as the online channel can only partially compensate for the broad-based closures of physical stores in most consumer sectors. Furthermore, even after the reopening of the company's and its independent partners' stores, there can be no assurance as to the time required to return to normalized business levels as workers' return rates as well as the speed of recovery in consumer spending and retail traffic remain uncertain. The coronavirus could also substantially impact the Issuer's supply chain and administration, for example as a result of disruption in material supply or product manufacturing, restrictions on the global movement of people and goods or prolonged closures of its own offices or distribution centers. Any disruption or downturn in the global credit markets and economy would typically affect the Issuer as well, both in respect of operational performance and its ability to fund intended business growth. Any economic downturn in combination with an increase in unemployment levels could contribute to slower growth in household disposable income and higher savings and thereby further emphasize these risks. The coronavirus outbreak may continue to, either directly or indirectly, impact adidas, its consumers, retail partners, suppliers and investors as well as credit markets.

As a result of the coronavirus outbreak which has spread globally during the first half of 2020, almost all stores in Europe, North America, Latin America, Emerging Markets and parts of Asia-Pacific, representing more than 70% of the adidas' global store fleet, were closed at the high point of the worldwide lockdown measures in April. By June 30, 2020, 83% of the Issuer's stores had been reopened, albeit partly with reduced hours. As a result of the large number of store closures as well as a pronounced traffic reduction within the parts of the store fleet that were reopened, adidas recorded a material revenue decline in its physical distribution channels during the first half of 2020. Furthermore, the operating result development in the first half of 2020 was significantly impacted by several coronavirus-related charges. These mainly consisted of product takebacks in Greater China, purchase

order cancellations, the increase in inventory and bad debt allowances as well as the impairment of retail stores and the Reebok trademark with a combined negative effect on the first half 2020 operating result of adidas in an amount of around € 500 million. The delay of major sporting events such as the UEFA EURO 2020 and the 2020 Olympic Games in Tokyo to 2021 may also negatively affect brand momentum, consumer excitement and as a result have a negative impact on the Issuer's financial performance.

The sales of adidas in certain product categories are seasonal and, therefore, revenues and attributable earnings may vary within the financial year. In prior years, sales and earnings tended to be strongest in the first and third quarters of the financial year because these coincided with the launch of the spring/summer and fall/winter collections, respectively. Because of the coronavirus pandemic in the first half of 2020, the related revenue decreased. Although adidas expects to launch new collections later this year as planned, shifts in the share of sales and attributable earnings of particular product categories or in the regional composition of offerings may occur throughout the year as a result of the coronavirus pandemic.

A continued disruption of the global economy as a result of the coronavirus outbreak may adversely affect the Issuer's business, reputation, financial condition and results of operation.

Risks related to the competitive and retail environment

Changes in the competitive landscape and the retail environment could impact adidas' success, in particular in the medium to long term. Strategic alliances amongst competitors and/or retailers, the increase in retailers' own private label businesses and intense competition for consumers, production capacity and promotion partnerships between well-established industry peers and new market entrants pose a substantial risk to adidas. This could lead to harmful competitive behavior, such as sustained periods of discounting in the marketplace or intense bidding for promotion partnerships. Failure to recognize and respond to consolidation in the retail industry could lead to increased dependency on particular retail partners, reduced bargaining power and, consequently, margin erosion. Sustained pricing pressure in key markets could threaten adidas' financial performance and the competitiveness of adidas' brands. Aggressive competitive practices could also drive increases in marketing costs and market share losses, thus hurting adidas' profitability and market position. The inability to adjust its distribution strategy in a timely manner to a changing retail industry, which is experiencing increasing substitution of physical retail stores by digital commerce platforms as well as increasing connectivity between physical and digital retail, could result in sales and profit shortfalls for adidas. A decline in the attractiveness of particular shopping locations such as shopping malls could lead to sales shortfalls in adidas' customers' and its own stores, higher inventory in the marketplace, increased clearance activity and margin pressure.

Inability or failure to anticipate and adequately react to such unfavorable changes in the competitive and retail environment could have a material adverse effect on adidas' business, financial condition and results of operation.

Risks related to consumer demand and product offering

The Issuer's success largely depends on its ability to continuously create new, innovative footwear and apparel products. Consumer demand changes can be sudden and unexpected, particularly when it comes to the more fashion-related part of adidas' business. Therefore, the Issuer faces a risk of short-term revenue loss in cases where it is unable to anticipate consumer demand or respond quickly to changes. In addition, creating and offering products that do not resonate with consumers and adidas' retail partners is a critical risk to the success of its brands, especially considering its strategy to reduce the number of footwear models, placing a stronger focus on key product franchises, including in its key markets Asia-Pacific and North America. Even more critical in the long term, however, are the risks of continuously overlooking new consumer trends, failing to introduce new product innovation and failing to continuously generate consumer excitement with its product offering and marketing activities. The speed with which new product technologies and fresh designs are brought to the market is decisive for maintaining a competitive advantage. If the Issuer fails to maintain a pipeline of new innovative products over a sustained period, it could suffer a significant sales decline.

If adidas fails to identify and appropriately respond to shifts in trends or consumer demand as early as possible, this could have a material adverse effect on its business, financial condition and results of operation. Likewise, if adidas does not continuously create new, innovative products, its business,

financial condition and results of operation could be materially affected. adidas considers these risks most relevant in its key markets Asia-Pacific, Europe and North America.

Business partner risks

adidas interacts and enters into partnerships with various third parties, such as athletes, creative partners, innovation partners, retail partners or suppliers of goods or services. As a result, the Issuer is exposed to a multitude of business partner risks.

Injuries to individual athletes or poor on-field performance on the part of sponsored teams or athletes could reduce their consumer appeal and eventually result in lower sales and diminished attractiveness of the Issuer's brands. Failure to cement and maintain strong relationships with retailers could have substantial negative effects on adidas' wholesale activities and thus its business performance. Similarly, failure to maintain strong relationships with suppliers or service providers could negatively impact the Issuer's sales and profitability. Risks may also arise from a dependence on particular suppliers, customers or service providers. Business partner default (including insolvency) or other disruptive events such as strikes may negatively affect adidas' business activities and result in additional costs and liabilities as well as lower sales. Unethical business practices or improper behavior on the part of business partners could have a negative spill-over effect on the Issuer's reputation.

Underperformance, misconduct or the complete loss of critical business partners as well as business interruption at a critical business partner could have a material adverse effect on the Issuer's business, reputation, financial condition and results of operation.

Risks related to media and stakeholder activities

The Issuer faces considerable risk if it is unable to uphold high levels of consumer awareness, affiliation and purchase intent for its brands. Adverse media coverage of its products or business practices as well as negative social media discussion may significantly hurt adidas' reputation and brand image and eventually lead to a negative sales impact. Activism from non-governmental and governmental organizations or other stakeholders, including the pressure on the Issuer to substantially adjust operational practices or strategic initiatives, could cause negative media coverage as well as reputational damage and result in additional costs, a disruption of business activities and, hence, a negative impact on the Issuer's reputation, its financial condition and results of operation.

Risks related to expansion of own-retail business

The continuous expansion of adidas' own-retail business, which is a key pillar of the Issuer's sales and distribution strategy and comprises its directly operated brick and mortar and digital stores bears significant risk. New own-retail stores require considerable up-front investment in furniture and fixtures as well as ongoing maintenance, while the expansion of own digital sales solutions requires significant investment in technology or the adjustment of logistics processes. In addition, own-retail activities often require longer-term lease or rent commitments. The Issuer also employs significantly more personnel in relation to sales in its own-retail channels than its wholesale business. The higher portion of fixed costs compared to the wholesale business may cause a larger profitability impact in cases of significant sales declines. Success in its own-retail business is predominantly related to the skills and performance of the Issuer's employees. High turnover of staff as well as a lack of the required skills and qualifications of employees could negatively affect sales and profitability. In addition, poorly executed store operations, both in physical and digital stores, could lead to sales shortfalls and also negatively impact brand image.

If adidas is not successful in sustainably expanding its own-retail channel, this could have a material adverse effect on the its business, financial condition and results of operation.

Inventory planning risks

As adidas places initial production orders around six months in advance of delivery, it is exposed to inventory risks relating to misjudging consumer demand at the time of production planning. A sudden decline in demand has the potential to cause excess inventories. This can have negative implications for the Issuer's financial performance, including higher levels of clearance activity and inventory obsolescence as well as reduced liquidity due to higher operating working capital requirements. Similarly, a sudden increase in demand can lead to product shortfalls at the point of sale. In this

situation, adidas faces the risk of missed sales opportunities and/or customer and consumer disappointment, which could lead to a reduction in brand loyalty and hurt adidas' reputation. In addition, the Issuer faces potential profitability impacts from additional costs such as airfreight in efforts to speed up replenishment.

If adidas fails to adequately assess consumer demand and plan production, respectively, its business, financial condition and results of operation could be materially affected.

2. Macroeconomic and external risks

Business interruption, safety, security and hazard risks

adidas is exposed to external risks such as epidemics, climate events, fire, accidents and malicious acts. Those events may cause physical damage to the Issuer's own or its suppliers' premises, production units, warehouses and stock in transit, result in business interruption and substantially impact sales and profitability. In addition, any such event could threaten the safety or security of adidas' employees. Epidemics such as the recent outbreak of COVID-19 or extreme weather conditions such as tornados, hurricanes, heavy rain or lengthy periods of heat could be connected with the closing of retail stores and decreases of retail sales, impact consumers' shopping behavior, and therefore adversely affect the Issuer's business, financial performance and results of operation.

Macroeconomic, sociopolitical, regulatory and currency risks

Growth in the sporting goods industry is highly dependent on consumer spending and consumer confidence. Economic downturns, financial market turbulence, currency exchange rate fluctuations and sociopolitical factors such as military conflicts, changes of government, civil unrest, pandemics, nationalization or expropriation, in particular in regions where adidas is strongly represented, therefore could negatively impact the Issuer's business activities and top- and bottom-line performance. Currency risks, for example, are a direct result of multi-currency cash flows within adidas, in particular the mismatch of the currencies required for sourcing products versus the denominations of sales. Furthermore, translation impacts from the conversion of non-euro-denominated results into the Issuer's functional currency, the euro, might lead to a material negative impact on its financial performance. In addition, substantial changes in the regulatory environment (e.g. trade restrictions, economic and political sanctions, regulations concerning product compliance, environmental regulations) could lead to potential sales shortfalls or cost increases.

Unfavorable changes in the macroeconomic, sociopolitical and regulatory environment as well as foreign currency exchange rates could have a material adverse effect on the Issuer's business, financial condition and results of operation.

3. Organizational risks

IT and cyber security risks

Theft, leakage, corruption or unavailability of critical information (e.g. consumer data, employee data, product data) and systems could lead to reputational damage, regulatory penalties or the inability to perform key business processes. Key business processes, including product marketing, order management, warehouse management, invoice processing, customer support and financial reporting, are all dependent on IT systems. Significant outages, application failures or cyber security threats to adidas' infrastructure, or that of its business partners, could therefore result in considerable business disruption or impact to business-critical data.

Should adidas not be able to quickly identify and adequately respond to unavailability of critical information and systems as well as cyber security incidents, this could have a material adverse effect on its business, reputation, financial condition and results of operation.

Project risks

To effectively support further business growth and improve efficiency, adidas continuously invests in new projects such as the creation, implementation, expansion or harmonization of IT systems and distribution centers or the construction of office buildings. Ineffective project management could delay the execution of critical projects and lead to higher expenditures. Inadequate project planning and

controlling as well as executional mistakes could cause inefficiencies, delays or business disruption, resulting in higher costs and sales shortfalls. Inappropriate project governance, prioritization and oversight of the project portfolio may lead to suboptimal resource allocation and undesired project results.

Ineffective project management and delays in project execution could have a material adverse effect on adidas business, financial condition and results of operation.

4. Legal and regulatory risks

Risks related to tax and customs regulations

Numerous laws and regulations regarding customs and taxes as well as changes in such laws and regulations affect the Issuer's business practices worldwide. Non-compliance with regulations concerning product imports (including calculation of customs values), intercompany transactions or income taxes could lead to substantial financial penalties and additional costs as well as negative media coverage and therefore reputational damage, for example in case of understatements or underpayments of corporate income taxes or customs duties. Changes in regulations regarding customs and taxes may also have a substantial impact on the Issuer's sourcing costs or income taxes. Customs and tax authorities are taking increasingly aggressive positions in audits. Therefore, adidas also creates provisions in accordance with the relevant accounting regulations to account for potential disputes with customs or tax authorities.

Should adidas fail to comply with tax, customs and import regulations, its business, reputation, financial condition and results of operation could be adversely affected.

Compliance risks

As a globally operating company, adidas is subject to various laws and regulations. Non-compliance with such laws and regulations could lead to penalties and fines and cause significant reputational damage. For example, non-compliance with laws and regulations concerning data protection and privacy, such as the EU General Data Protection Regulation, may result in substantial fines. In addition, publication of failure to comply with data protection and privacy regulations could cause significant reputational damage and result in a loss of consumer trust in adidas' brands. The Issuer also faces the risk that members of top management as well as its employees breach rules and standards that guide appropriate and responsible business behavior. This includes the risks of fraud, financial misstatements or manipulation, anti-competitive business practices, bribery, corruption, discrimination and harassment at the workplace.

If adidas fails to ensure compliance with laws and regulations and does not take appropriate action to prevent, detect and respond to non-compliant or fraudulent activities, this could have a material adverse effect on its business, reputation financial condition and results of operation.

Legal risks

As popular consumer brands which rely on technological and design innovation as defining characteristics, the Issuer's brands are frequent targets for counterfeiting and imitation. Counterfeiting and imitation can lead to losses of sales and the potential damage to brand reputation. Legal action taken against the Issuer because of the use of technologies or other intellectual property that are claimed by a third party may result in the loss of rights to use those technologies or rights, imposed royalty payments, withdrawal of a product from the market, legal costs and reputational damage. In addition, legal action taken against adidas because of an employee or agent's actions, in-actions, products, services or other events could cause financial loss, higher costs or reputational damage. Such legal action may also be the result of a breach of contract by the Issuer.

Counterfeiting, imitation or legal action taken against the Issuer could have a material adverse impact on its business, reputation, financial condition and results of operation.

RISK FACTORS REGARDING THE NOTES

The risk factors regarding the Notes are presented in the following categories depending on their nature with the most material risk factor, based on the probability of their occurrence and the expected magnitude of their negative impact, presented first in each category:

1. Risks related to the nature of the Notes
2. Risks related to specific conditions of the Notes
3. Other related risks

Words and expressions defined in the Conditions of Issue shall have the same meanings in this section.

1. Risks related to the nature of the Notes

Market price risk

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels or the lack of or excess demand for the type of Notes. The Holders of the Notes are therefore exposed to the risk of an unfavorable development of market prices of their Notes, which materializes if the Holders sell the Notes prior to the final maturity of such Notes. If a Holder of Notes decides to hold the Notes until final maturity, the Notes will be redeemed at the amount set out in the Conditions of Issue.

In particular, a Holder is exposed to the risk that the price of the Notes falls as a result of changes in the market interest rate levels. While the nominal interest rate of a fixed rate note is fixed during the life of such notes, the current interest rate on the capital market ("**market interest rate**") typically changes on a daily basis. As the market interest rate changes, the price of fixed rate notes also changes, but in the opposite direction. If the market interest rate increases, the price of fixed rate notes typically falls, until the yield of such notes is approximately equal to the market interest rate of comparable issues. If the market interest rate falls, the price of fixed rate notes typically increases, until the yield of such notes is approximately equal to the market interest rate of comparable issues. If the Holder of fixed rate notes holds such notes until maturity, changes in the market interest rate are without relevance to such Holder as the Notes will be redeemed at a specified redemption amount, the principal amount of the Notes.

Liquidity risk

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange. However, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. The liquidity of the Notes could also be subject to fluctuations during the term of the Notes and may deteriorate, in particular as a result of repurchases and redemptions.

In an illiquid market, an investor is subject to the risk that he will not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

The market value of the Notes could decrease if the creditworthiness of adidas worsens

If, e.g., because of the materialisation of any of the risks regarding the Issuer, the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could, nevertheless, have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as adidas could adversely change.

If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialisation of any of the aforementioned risks regarding the Issuer. Under these circumstances, the market value of the Notes will decrease.

2. Risks related to specific conditions of the Notes

Risk of early redemption

Under the Conditions of Issue, the Issuer has the right to redeem the Notes early at any time against payment of a make-whole amount. Such amount will be calculated by reference to the maturity date for each amount payable by the Issuer under the Notes were they not redeemed, in each case discounted on the basis of markets interest rates prevailing at the time of redemption, plus a margin. While through the make-whole concept Holders will be compensated for some of the yield of the investment in the Notes forgone as a result of the early redemption, they may incur a loss by having to reinvest the amount received early at less favorable terms.

In addition, under the Conditions of Issue, the Issuer has the right to redeem the Notes at par at a date not earlier than 3 months of the stated maturity of the Notes, plus interest accrued, if any, up to the redemption date. The Notes may also be redeemed early at the option of the Issuer (in whole, but not in part) at the principal amount of the Notes plus interest accrued, if any, to the date fixed for redemption, for reasons of taxation, if as a result of any change in, or amendment to, the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations) of the Federal Republic of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, the Issuer will become obligated to pay additional amounts on the Notes, as more fully described in the Conditions of Issue. In the event that the Issuer exercises the option to redeem the Notes early, the Holders might suffer a lower than expected yield and might not be able to reinvest the funds on the same terms.

Furthermore, the Conditions of Issue of the Notes foresee that, in the case of a change of control event and if 80 per cent. or more in the aggregate principal amount of the Notes then outstanding have been redeemed due to a change of control and in accordance with the applicable early redemption right of the Holders, or have been otherwise repurchased and cancelled, the Issuer will have the right to redeem the remaining Notes at the principal amount of the Notes plus interest accrued, if any, to the date fixed for redemption.

Currency risk

The Notes are denominated in euro. If such currency represents a foreign currency to a Holder, such Holder is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments.

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

Resolutions of Holders and Joint Representative

Since the Notes provide for meetings of Holders or the taking of votes without a meeting, a Holder is subject to the risk of being outvoted by a majority resolution of the Holders. As such majority resolution is binding on all Holders, certain rights of such Holder against the Issuer under the Conditions of Issue may be amended or reduced or even cancelled.

Since the Conditions of Issue provide for the election of a Joint Representative by a majority resolution of the Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Conditions of Issue against the Issuer, such right passing to the Holders' Representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

3. Other related risks

No restriction on the amount of debt which the Issuer may incur in the future or on securing other debt which is not capital market indebtedness

There is no restriction on the amount of debt which the Issuer may issue which ranks equal to the Notes. The negative pledge contained in the Conditions of Issue does not prevent the Issuer from incurring financial indebtedness provided by banks but only refers to capital market indebtedness. Such issuance of further debt or securing debt which is not capital market indebtedness may reduce the amount recoverable by the Holders upon winding-up or insolvency of the Issuer and may negatively affect the Issuer's ability to perform its obligations under the Notes. In such case, the market price of the Notes may be negatively affected and the Holders might not be able to realize the expected yield from the investment in the Notes.

No restriction to secure other financial indebtedness

The Issuer has undertaken in the Conditions of Issue not to provide security for certain other indebtedness traded or capable of being traded on the capital markets unless the rights of the Holders under the Notes are secured on a *pari passu* basis. However, there is no restriction upon the Issuer to collateralize other financial indebtedness, such as for example bank loans. If the Issuer does so, the rights of the Holders under the Notes will, in an insolvency of the Issuer, become effectively subordinated to the rights of the provider of such other financial indebtedness. As a result, the amounts payable by the Issuer under the Notes may not be fully paid while the providers of other financial indebtedness may receive all amounts due to them. In such case, the market price of the Notes may be negatively affected and the Holders might not be able to realize the expected yield from the investment in the Notes.

Structural subordination of the rights under the Notes

The Issuer is the parent company of the adidas Group and as such receives a significant part of its financial resources from distributions on equity instruments issued by its subsidiaries. Distributions on such equity instruments can only be made after full payment of, or provisioning for, amounts due to the creditors of such subsidiaries. As a result, the rights under the Notes are structurally subordinated to the rights of creditors of the Issuer's subsidiaries and in the event of an insolvency of the Issuer such creditors need to be paid in full before any amount can be made available to the Issuer for payment to its creditors. If this risk materializes this could have a material adverse effect on the value of and return on the Notes; investors may receive less interest or principal than expected, or no interest or principal at all.

CONDITIONS OF ISSUE OF THE 2024 NOTES

*These terms and conditions of the notes (the "**Conditions of Issue**") are written in the German language and provided with an English language translation. The German text shall be the legally binding version. The English language translation is provided for convenience only.*
*Diese Anleihebedingungen (die "**Anleihebedingungen**") sind in deutscher Sprache abgefasst und mit einer englischen Übersetzung versehen. Der deutsche Wortlaut ist rechtsverbindlich. Die englische Übersetzung dient nur zur Information.*

ANLEIHEBEDINGUNGEN

CONDITIONS OF ISSUE

§ 1

WÄHRUNG, NENNBETRAG, FORM, BESTIMMTE DEFINITIONEN

§ 1

CURRENCY, PRINCIPAL AMOUNT, FORM, CERTAIN DEFINITIONS

(1) *Währung; Nennbetrag.* Die Anleihe der adidas AG (die "**Emittentin**"), begeben im Gesamtnennbetrag (vorbehaltlich § 1 Absatz (6)) von EUR 500.000.000 ist eingeteilt in 5.000 unter sich gleichrangige Schuldverschreibungen im Nennbetrag von je EUR 100.000 (die "**festgelegte Stückelung**") (für die Zwecke dieser Anleihebedingungen, die "**Schuldverschreibungen**").

(1) *Currency; Principal Amount.* The issue by adidas AG (the "**Issuer**") issued in the aggregate principal amount, subject to § 1(6) of EUR 500,000,000 is divided into 5,000 notes in the principal amount of EUR 100,000 each (the "**Specified Denomination**") and ranking *pari passu* with each other (for the purposes of these Conditions of Issue, the "**Notes**").

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(2) *Form.* The Notes are being issued in bearer form.

(3) *Vorläufige Globalurkunde – Austausch.*

(3) *Temporary Global Note – Exchange.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in der festgelegten Stückelung, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Hauptzahlstelle oder in dessen Namen mit einer Kontrollunterschrift versehen. Einzelurkunden werden nicht ausgegeben.

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorized signatories of the Issuer and shall each be authenticated by or on behalf of the Principal Paying Agent. Definitive Notes will not be issued.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Begebung der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date 40 days after the date of issue of the Notes represented by the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions) as

Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 6 Absatz (2) definiert) geliefert werden.

(4) *Clearing System.* Die Globalurkunde, die die Schuldverschreibung verbrieft, wird von einem oder für ein Clearing System verwahrt. "**Clearing System**" bedeutet jeweils folgendes: Clearstream Banking, société anonyme (42 Avenue JF Kennedy, 1855 Luxemburg, Luxemburg) ("**CBL**") and Euroclear Bank SA/NV (Boulevard du Roi Albert II, 1210 Brussels, Belgien) ("**Euroclear**") (CBL and Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**") sowie jeder Funktionsnachfolger.

Die Schuldverschreibungen werden in Form einer New Global Note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.

(5) *Gläubiger von Schuldverschreibungen.* "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Rechts an den Schuldverschreibungen.

(6) *Register der ICSDs.* Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen die Register zu verstehen sind, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis des Gesamtnennbetrages der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine für zu diesem Zweck von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist maßgebliche Bescheinigung des Inhalts des Registers des betreffenden ICSD zu dem fraglichen Zeitpunkt.

Bei jeder Rückzahlung auf die durch die Globalurkunde verbrieften Schuldverschreibungen bzw. beim Kauf und der Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die

required by U.S. tax law. Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 6(2)).

(4) *Clearing System.* The global note representing the Notes will be kept in custody by or on behalf of the Clearing System. "**Clearing System**" means each of the following: Clearstream Banking, société anonyme (42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg) ("**CBL**") and Euroclear Bank SA/NV (Boulevard du Roi Albert II, 1210 Brussels, Belgium) ("**Euroclear**") (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**") and any successor in such capacity.

The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

(5) *Holder of Notes.* "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(6) *Records of the ICSDs.* The aggregate principal amount of Notes represented by the global note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the global note and, for these purposes, a statement issued by a ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption being made in respect of, or purchase and cancellation of, any of the Notes represented by the global note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the

Emittentin sicher, dass die Einzelheiten der Rückzahlung, Zahlung oder des Kaufs und der Entwertung bezüglich der Globalurkunde entsprechend in die Unterlagen der ICSDs eingetragen werden, und dass nach dieser Eintragung vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs entsprechend in die Register der ICSDs aufgenommen werden

§ 2 STATUS UND NEGATIVVERPFLICHTUNG

(1) *Status.* Die Verpflichtungen aus den Schuldverschreibungen begründen nicht nachrangige und nicht besicherte Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Im Falle der Insolvenz oder Liquidation der Emittentin sind die Verbindlichkeiten der Emittentin unter den Schuldverschreibungen mindestens gleichrangig mit allen sonstigen gegenwärtigen und zukünftigen nicht nachrangigen und nicht besicherten Verpflichtungen der Emittentin, mit Ausnahme solcher Verpflichtungen, die nach anwendbarem Recht vorrangig sein können.

(2) *Negativverpflichtung.* Solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital gemäß diesen Anleihebedingungen dem Clearing System zur Verfügung gestellt worden sind, verpflichtet sich die Emittentin, keine Grund- und Mobiliarpfandrechte, sonstige Pfandrechte oder dingliche Sicherheiten oder sonstige Sicherungsrechte in Bezug auf das gesamte gegenwärtige oder zukünftige Vermögen oder Teile davon, oder in Bezug auf das gesamte gegenwärtige oder zukünftige Vermögen oder Teile davon einer Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeiten, einschließlich diesbezüglicher Garantien oder Freistellungsansprüche, zu gewähren, ohne gleichzeitig die Gläubiger in gleicher Weise und anteilig an einem solchen Sicherungsrecht zu beteiligen

case may be) in respect of the global note shall be entered accordingly in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the global note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered accordingly in the records of the ICSDs.

§ 2 STATUS AND NEGATIVE PLEDGE

(1) *Status.* The obligations under the Notes constitute unsubordinated and unsecured obligations of the Issuer which rank *pari passu* among themselves. In the insolvency or liquidation of the Issuer, the obligations of the Issuer under the Notes rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations which may be preferred by applicable law.

(2) *Negative Pledge.* So long as any of the Notes remain outstanding, but only up to the time all amounts of principal payable in accordance with these Conditions of Issue have been placed at the disposal of the Clearing System, the Issuer undertakes not to provide any mortgage, charge, pledge or other security interest in rem over any or all of its present or future assets or any or all of the present or future assets on any Subsidiary, as security for any present or future Capital Market Indebtedness, including any guarantee or indemnity in respect of such Capital Market Indebtedness, without at the same time having the Holders share equally and rateably in such security or such other security as shall be approved by an independent expert as being equivalent security. The undertaking pursuant to sentence 1 of this § 2(2) shall not apply to any security which is (i) mandatory according

oder ihnen ein gleichwertiges Sicherungsrecht zu gewähren, das von einem unabhängigen Sachverständigen als gleichwertiges Sicherungsrecht eingestuft wird. Die Verpflichtung gemäß Satz 1 dieses § 2 Absatz (2) gilt jedoch nicht für ein Sicherungsrecht, welches (i) nach anwendbarem Recht zwingend vorgeschrieben ist, (ii) als Voraussetzung für behördliche Genehmigungen erforderlich ist, oder (iii) von einer Tochtergesellschaft über alle Ansprüche dieser Tochtergesellschaft gegen die Emittentin oder eine ihrer Tochtergesellschaften bestellt wird, wenn es gegenwärtig besteht oder zu einem beliebigen Zeitpunkt in der Zukunft aufgrund der Weitergabe der Erlöse aus dem Verkauf von Schuldverschreibungen durch diese Tochtergesellschaft entsteht. Jedes Sicherungsrecht gemäß dieses § 2 Absatz (2) darf auch Personen gegenüber gewährt werden, die als Treuhänder der Gläubiger agieren.

Für Zwecke dieses § 2 bezeichnet "**Kapitalmarktverbindlichkeit**" jede bestehende oder zukünftige Verbindlichkeit der Emittentin bezüglich Geldaufnahmen in Form von, oder verbrieft durch, Schuldverschreibungen oder ähnliche Wertpapiere, soweit sie an einer Börse oder einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden können, oder in Form von Schuldscheindarlehen nach deutschem Recht.

"**Tochtergesellschaft**" bedeutet jede Körperschaft, Personengesellschaft oder sonstige Gesellschaft, an der die Emittentin direkt oder indirekt insgesamt mehr als 50 % des Kapitals oder der Stimmrechte hält, oder die im Konzernabschluss der Emittentin voll konsolidiert werden muss.

§ 3 KEINE ZINSEN

(1) *Keine Verzinsung.* Auf die Schuldverschreibungen werden keine periodischen Zinszahlungen geleistet.

(2) *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen. Der

to applicable laws, (ii) required as a prerequisite for governmental approvals, or (iii) which is provided by a Subsidiary over any claims of such Subsidiary against the Issuer or any of its Subsidiaries, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the sale by such Subsidiary of any Notes. Any security to be provided pursuant to this § 2(2) may also be provided to a person acting as trustee for the Holders.

For the purposes of this § 2, "**Capital Market Indebtedness**" means any present or future obligation of the Issuer for the payment of borrowed money which is in the form of, or represented by, debt securities or similar securities which are capable of being quoted, listed, dealt in or traded on a stock exchange or another recognized securities market, or in the form of Schuldschein loans governed by German law.

"**Subsidiary**" means any corporation, partnership or other enterprise in which the Issuer directly or indirectly holds in the aggregate more than 50 per cent. of the capital or the voting rights or which is required to be fully consolidated in the Issuer's consolidated accounts.

§ 3 NO INTEREST

(1) *No Interest.* There will not be any periodic payments of interest on the Notes.

(2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue beyond the due date until the actual redemption of the Notes at the default rate of interest established by law. The default rate of interest established by law is five percentage points above the basic rate of

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

§ 4 ZAHLUNGEN

(1) *Zahlungen auf Kapital.* Zahlungen von Kapital in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe von § 4 Absatz (2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in Euro.

(3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahlungsgeschäftstag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahlungsgeschäftstag. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

Für diese Zwecke bezeichnet "**Zahlungsgeschäftstag**" einen Tag, der ein Tag (außer einem Samstag oder Sonntag) ist, an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) ("**TARGET**") betriebsbereit sind, um die betreffenden Zahlungen weiterzuleiten.

(5) *Bezugnahmen auf Kapital.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Vorzeitigen Rückzahlungsbetrag (Call) der Schuldverschreibungen; sämtliche gemäß § 7 zahlbaren Zusätzlichen Beträge; sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge.

interest published by Deutsche Bundesbank from time to time; §§ 288(1), 247(1) German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

§ 4 PAYMENTS

(1) *Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to § 4(2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in euro.

(3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means any day which is a day (other than a Saturday or a Sunday) on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) ("**TARGET**") are operational to forward the relevant payment.

(5) *References to Principal.* References in these Conditions of Issue to principal in respect of the Notes shall be deemed to include, as applicable: the Early Call Redemption Amount of the Notes; any Additional Amounts which may be payable under § 7; and any other amounts which may be payable under or in respect of the Notes.

§ 5 RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrer festgelegten Stückelung am 9. September 2024 (der "**Fälligkeitstag**") zurückgezahlt.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Hauptzahlstelle und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrer festgelegten Stückelung, falls die Emittentin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Schuldverschreibungen begeben wird, wirksam) zur Zahlung von Zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen vernünftiger, der Emittentin zur Verfügung stehender Maßnahmen vermieden werden kann.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von Zusätzlichen Beträgen nicht mehr wirksam ist.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

§ 5 REDEMPTION

(1) *Final Redemption.* Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Specified Denomination on September 9, 2024 (the "**Maturity Date**").

(2) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after the date on which the last tranche of this series of Notes was issued, the Issuer is required to pay Additional Amounts (as defined in § 7 herein), and this obligation cannot be avoided by the use of reasonable measures available to the Issuer the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Principal Paying Agent and, in accordance with § 13 to the Holders, at their Specified Denomination.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts were a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Any such notice shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

(3) *Vorzeitige Rückzahlung aufgrund eines Kontrollwechsels.* Tritt ein Kontrollwechsel (ein "**Kontrollwechsel-Ereignis**") ein, hat jeder Gläubiger das Recht (sofern nicht die Emittentin, bevor die nachstehend beschriebene Kontrollwechsel-Ereignis-Mitteilung gemacht wird, die Rückzahlung der Schuldverschreibungen nach § 5 Absatz (2) angezeigt hat), die Rückzahlung seiner Schuldverschreibungen durch die Emittentin zu ihrer festgelegten Stückelung an dem Tag zu verlangen, der 30 Tage nach der Veröffentlichung einer Kontrollwechsel-Ereignis-Mitteilung liegt ("**Vorzeitiger Rückzahlungstag**").

Die Emittentin wird die Gläubiger von einem Kontrollwechsel-Ereignis und von dem Tag, an dem dieses Kontrollwechsel-Ereignis eingetreten ist, in Kenntnis setzen (eine "**Kontrollwechsel-Ereignis-Mitteilung**"), sobald dies nach Kenntniserlangung praktikabel ist.

Zur Ausübung dieses Wahlrechts muss der Gläubiger eine ordnungsgemäß ausgefüllte Ausübungserklärung in Textform oder schriftlich bei der angegebenen Niederlassung der Hauptzahlstelle einreichen (die "**Ausübungserklärung**"). Eine solche Ausübungserklärung muss der Hauptzahlstelle während der normalen Geschäftsstunden innerhalb eines Zeitraums von 15 Tagen, nachdem die Kontrollwechsel-Ereignis-Mitteilung veröffentlicht wurde, übermittelt werden. Ein so ausgeübtes Wahlrecht kann nicht ohne vorherige Zustimmung der Emittentin widerrufen oder zurückgezogen werden.

Dabei gilt Folgendes:

ein "**Kontrollwechsel**" als eingetreten gilt, wenn eine Person oder Personen, die ihr Verhalten aufeinander abgestimmt haben oder eine oder mehrere Personen, die für eine solche Person handelt bzw. für solche Personen handeln, zu irgendeinem Zeitpunkt direkt oder indirekt (i) mehr als dreißig (30) Prozent des Eigenkapitals der Emittentin erwirbt/erwerben oder (ii) eine Anzahl von Anteilen am Eigenkapital der Emittentin erwirbt/erwerben, der mehr als dreißig (30) Prozent der in Hauptversammlungen der Emittentin ausübenden Stimmrechte trägt;

"**Personen, die ihr Verhalten aufeinander abgestimmt haben**" bezeichnet Personen, die

(3) *Early Redemption due to a Change of Control.* If a Change of Control occurs (a "**Change of Control Event**"), each Holder will have the option (unless, prior to the giving of the Change of Control Event Notification referred to below, the Issuer gives notice to redeem the Notes in accordance with § 5(2)) to require the Issuer to redeem the Notes of such Holder at their Specified Denomination on the date which falls 30 days following the publication of a Change of Control Event Notification (such date the "**Early Redemption Date**").

The Issuer shall give notice to the Holders of the occurrence of a Change of Control Event and of the date on which such Change of Control Event occurred (a "**Change of Control Event Notification**") as soon as practicable after becoming aware thereof.

In order to exercise such option, the Holder must submit to the specified office of the Principal Paying Agent a duly completed option exercise notice in text form or written form ("**Exercise Notice**"). Such Exercise Notice must be submitted to the Principal Paying Agent during normal business hours within a period of 15 days after a Change of Control Event Notification has been given. No option so exercised may be revoked or withdrawn without the prior consent of the Issuer.

Where:

A "**Change of Control**" shall be deemed to have occurred if any person or Persons Acting in Concert or any person or persons acting on behalf of any such person(s), at any time directly or indirectly acquire(s) (i) more than 30 per cent. of the share capital (*Eigenkapital*) of the Issuer or (ii) such number of shares in the capital (*Anteile am Eigenkapital*) of the Issuer carrying more than 30 per cent. of the voting rights exercisable at respective general meetings of the Issuer.

"**Persons Acting in Concert**" means persons acting in concert within the meaning of § 34 (2)

ihr Verhalten i.S.d. § 34 Absatz (2) Wertpapierhandelsgesetz aufeinander abgestimmt haben.

(4) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt aber nicht teilweise innerhalb des Wahl-Rückzahlungszeitraums (Call) am Wahl-Rückzahlungstag (Call) zu ihrer festgelegten Stückelung zurückzahlen.

"Wahl-Rückzahlungszeitraum (Call)" bezeichnet den Zeitraum ab 9. Juni 2024 (einschließlich) bis zum Fälligkeitstag (ausschließlich).

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § 13 bekannt zu geben. Sie beinhaltet die folgenden Angaben:

(i) die genaue Bezeichnung der zurückzuzahlenden Schuldverschreibungen; und

(ii) den Zahlungsgeschäftstag innerhalb des Wahl-Rückzahlungszeitraums (Call), an dem die Rückzahlung nach Ausübung des Wahlrechts der Emittentin erfolgen wird (der **"Wahl-Rückzahlungstag (Call)"**). Der Wahl-Rückzahlungstag (Call) darf nicht weniger als 15 und nicht mehr als 30 Tage auf den Tag der Kündigung durch die Emittentin gegenüber den Gläubigern folgen.

(5) *Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringem ausstehendem Nennbetrag.* Wenn zu irgendeinem Zeitpunkt der Gesamtnennbetrag der ausstehenden und nicht von der Emittentin und ihren Tochtergesellschaften gehaltenen Schuldverschreibungen auf 20 % oder weniger des Gesamtnennbetrags der Schuldverschreibungen, die ursprünglich ausgegeben wurden (einschließlich Schuldverschreibungen, die gemäß § 11 Absatz (1) zusätzlich begeben worden sind), fällt, kann die Emittentin die verbleibenden Schuldverschreibungen (insgesamt, jedoch nicht teilweise) kündigen und zum Nennbetrag zurückzahlen.

(6) *Vorzeitige Rückzahlung nach Wahl der Emittentin zum Vorzeitigen Rückzahlungsbeitrag (Call) (make-whole call).*

of the German Securities Trading Act (*Wertpapierhandelsgesetz*).

(4) *Early Redemption at the Option of the Issuer.*

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all of the Notes but not some of the Notes only within the Call Redemption Period on the Call Redemption Date at their Specified Denomination.

"Call Redemption Period" means the period from, and including, June 9, 2024 to, but excluding, the Maturity Date.

(b) Notice of redemption shall be given by the Issuer to the Holders in accordance with § 13. Such notice shall specify:

(i) the exact specification of the Notes subject to redemption; and

(ii) the Payment Business Day within the Call Redemption Period on which the redemption will occur at the option of the Issuer (the **"Call Redemption Date"**). The Call Redemption Date may not be less than 15 nor more than 30 days after the date on which notice is given by the Issuer to the Holders.

(5) *Early Redemption at the Option of the Issuer for Reason of Minimal Outstanding Amount.* If at any time the aggregate principal amount of the Notes outstanding and held by persons other than the Issuer and its subsidiaries is equal to or less than 20 per cent. of the aggregate principal amount of the Notes originally issued (including any Notes additionally issued in accordance with § 11(1)), the Issuer may call and redeem the remaining Notes (in whole but not in part) at their Specified Denomination.

(6) *Early Redemption at the Option of the Issuer at Early Call Redemption Amount (make-whole call).*

(a) Die Emittentin ist berechtigt, alle ausstehenden Schuldverschreibungen insgesamt aber nicht teilweise, mit einer Kündigungsfrist von mindestens 15 und höchstens 30 Tagen zu einem in der Kündigungserklärung bestimmten Tag (der "**Wahl-Rückzahlungstag (Call)**") gegenüber der Hauptzahlstelle und gemäß § 13 gegenüber den Gläubigern nach ihrer Wahl jederzeit vorzeitig zu kündigen und diese zum Vorzeitigen Rückzahlungsbetrag (Call) zurück zu zahlen.

Der "**Vorzeitige Rückzahlungsbetrag (Call)**" (welcher den Gläubigern gemäß § 13 und der Hauptzahlstelle mitzuteilen ist) einer Schuldverschreibung entspricht der Summe aus:

- (i) der festgelegten Stückelung der zurückzuzahlenden Schuldverschreibung; und
- (ii) der Anwendbaren Prämie (wie nachstehend definiert).

Der Vorzeitige Rückzahlungsbetrag (Call) wird von der Berechnungsstelle berechnet.

"**Anwendbare Prämie**" bezeichnet die etwaige Differenz zwischen

- (i) dem Barwert zum Tag der Rückzahlung der festgelegten Stückelung der zurückzuzahlenden Schuldverschreibung abgezinst, mit der Benchmark-Verzinsung zuzüglich 0,10 %, und
- (ii) der festgelegten Stückelung der Schuldverschreibung zum Tag der Rückzahlung.

Die "**Benchmark Verzinsung**" entspricht der am Rückzahlungs-Berechnungstag bestehenden Rendite bis zur Fälligkeit einer Bundesanleihe der Bundesrepublik Deutschland mit einer festen Laufzeit (wie offiziell bestimmt – oder falls solche Finanzinformationen zugänglich sind, wie aus anderen von der Emittentin ordnungsgemäß ausgewählten, öffentlich zugänglichen vergleichbaren Marktdaten ersichtlich), die der Zeitspanne vom Tag der Rückzahlung bis zum Fälligkeitstag am ehesten entspricht. Sollte jedoch diese Zeitspanne vom Tag der Rückzahlung bis zum jeweiligen Fälligkeitstag nicht der Festlaufzeit einer solchen Bundesanleihe der Bundesrepublik Deutschland entsprechen, für die eine wöchentliche Durchschnittsrendite angegeben wird, so ist die Benchmark-Verzinsung im Wege der linearen

(a) The Issuer may at any time upon not less than 15 days' nor more than 30 days' prior notice of redemption given to the Principal Paying Agent and, in accordance with § 13 to the Holders redeem, at its option, the remaining Notes in whole but not in part, on a date specified in the call notice (the "**Call Redemption Date**") at their Early Call Redemption Amount.

The "**Early Call Redemption Amount**" (to be notified to the Holders in accordance with § 13 and to the Principal Paying Agent) of a Note shall be an amount equal to the sum of:

- (i) the Specified Denomination of the relevant Note to be redeemed; and
- (ii) the Applicable Premium (as defined below).

The Early Call Redemption Amount shall be calculated by the Calculation Agent.

"**Applicable Premium**" means the difference, if any, of

- (i) the present value on such redemption date of the Specified Denomination of the relevant Note discounted with the Benchmark Yield plus 0.10 per cent., and
- (ii) the Specified Denomination of such Note on the redemption date.

The "**Benchmark Yield**" shall be the yield to maturity at the Redemption Calculation Date of a *Bundesanleihe* (senior unsecured bond) of the Federal Republic of Germany with a constant maturity (as officially compiled - or if such financial statistics are not available, as apparent from any publicly available source of similar market data selected by the Issuer in good faith)), most nearly equal to the period from the redemption date to the Maturity Date of the relevant Note *provided, however*, that if the period from the redemption date to the Maturity Date is not equal to the constant maturity of the *Bundesanleihe* of the Federal Republic of Germany for which a weekly average yield is given, the Benchmark Yield shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of *Bundesanleihen* of the Federal

Interpolation (berechnet auf das nächste Zwölftel eines Jahres) aus den wöchentlichen Durchschnittsrenditen solcher Bundesanleihen der Bundesrepublik Deutschland zu ermitteln, für die solche Renditen angegeben werden. Soweit die Zeitspanne vom Tag der Rückzahlung bis zum Fälligkeitstag geringer als ein Jahr ist, so ist jedoch die wöchentliche Durchschnittsrendite einer tatsächlich gehandelten Bundesanleihe der Bundesrepublik Deutschland angepasst auf eine Festlaufzeit von einem Jahr anzuwenden.

"Rückzahlungs-Berechnungstag" ist der sechste Geschäftstag vor dem Rückzahlungstag.

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § 13 bekannt zu machen und der Hauptzahlstelle mindestens 15 Tage vorher zu schicken und sollte zumindest Angaben enthalten über:

- (i) den Wahl-Rückzahlungstag (Call); sowie
- (ii) den Namen und die Geschäftsstelle der Institution, welche durch die Emittentin als Berechnungsstelle ernannt wurde.

(c) Die durch eine Globalurkunde verbrieften Schuldverschreibungen werden in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt, und eine etwaige teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.

§ 6 DIE HAUPTZAHLSTELLE, DIE ZAHLSTELLE UND DIE BERECHNUNGSSTELLE

(1) *Bestellung; bezeichnete Geschäftsstelle.* HSBC Bank plc ist die Hauptzahlstelle (die "**Hauptzahlstelle**", und gemeinsam mit etwaigen von der Emittentin nach § 6 Absatz (2) bestellten zusätzlichen Zahlstellen, die "**Zahlstellen**"). Die Geschäftsräume der Hauptzahlstelle und der Berechnungsstelle befinden sich unter der folgenden Adresse:

Hauptzahlstelle:
HSBC Bank plc
8 Canada Square

Republic of Germany for which such yields are given, except that if the period from such redemption date to the Maturity Date is less than one year, the weekly average yield on actually traded *Bundesanleihen* of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used.

"Redemption Calculation Date" means the sixth Business Day prior to the date fixed for redemption.

(b) Notice of redemption shall be given by the Issuer to the Holders in accordance with § 13 and shall be delivered to the Principal Paying Agent not less than 15 days before and shall at least specify:

- (i) the Call Redemption Date; and
- (ii) name and address of the institution appointed by the Issuer as Calculation Agent.

(c) Notes represented by a global note shall be selected in accordance with the rules of the relevant Clearing System and a possible partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.

§ 6 THE PRINCIPAL PAYING AGENT, THE PAYING AGENT AND THE CALCULATION AGENT

(1) *Appointment; Specified Office.* HSBC Bank plc will be the principal paying agent (the "**Principal Paying Agent**", and together with any additional paying agent appointed by the Issuer in accordance with § 6(2), the "**Paying Agents**"). The address of the specified office of the Principal Paying Agent and the Calculation Agent is:

Principal Paying Agent:
HSBC Bank plc
8 Canada Square

London E14 5HQ
United Kingdom

Berechnungsstelle:

eine angesehene Institution mit gutem Ruf auf den Finanzmärkten, durch die Emittentin nur zu dem Zweck ernannt, um den Vorzeitigen Rückzahlungsbetrag (Call) gemäß § 5 Absatz (6) zu berechnen.

Die Zahlstellen und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Hauptzahlstelle oder einer Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und eine andere Hauptzahlstelle oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle und eine Berechnungsstelle unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden. Für die Zwecke dieser Anleihebedingungen bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(3) *Erfüllungsgehilfe(n) der Emittentin.* Die Hauptzahlstelle, die Zahlstelle und die Berechnungsstelle handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

§ 7 STEUERN

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen

London E14 5HQ
United Kingdom

Calculation Agent:

a reputable institution of good standing in the financial markets appointed by the Issuer for the purpose of calculating the Early Call Redemption Amount in accordance with § 5(6) only.

The Paying Agents and the Calculation Agent reserve the right at any time to change their specified offices to some other office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent or any Paying Agent or the Calculation Agent and to appoint another Principal Paying Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain a Paying Agent and a Calculation Agent. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13. For the purposes of these Conditions of Issue, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(3) *Agent of the Issuer.* The Principal Paying Agent, the Paying Agent and the Calculation Agent act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

§ 7 TAXATION

All amounts payable in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied

Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Sofern die Emittentin gesetzlich zu einem solchen Abzug oder Einbehalt verpflichtet ist, so wird die Emittentin diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher Zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller

by way of withholding or deduction by or on behalf of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. If the Issuer is required by law to make such deduction or withholding, the Issuer will pay such additional amounts (the "**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal made by it, or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Federal Republic of Germany, or
- (c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or
- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is

fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 wirksam wird; oder

- (e) von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können.

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

§ 8 VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 9 KÜNDIGUNG

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrer festgelegten Stückelung Nennbetrag zu verlangen, falls:

- (a) *Nichtzahlung:* die Emittentin Kapital auf die Schuldverschreibungen oder sonstige auf die Schuldverschreibungen zahlbaren Beträge nicht jeweils innerhalb von 15 Tagen nach dem betreffenden Fälligkeitsdatum zahlt, sei es bei Fälligkeit, Rückzahlung oder anderen Zeitpunkten; oder

- (b) *Verletzung einer sonstigen Verpflichtung:* die Emittentin die ordnungsgemäße Erfüllung einer anderen Verpflichtung aus

published in accordance with § 13, whichever occurs later, or

- (e) are withheld or deducted by a paying agent from a payment if the payment could have been made by another paying agent without such withholding or deduction.

In any event, the Issuer will not have any obligation to pay Additional Amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA Withholding**") or indemnify any investor in relation to any FATCA Withholding.

§ 8 PRESENTATION PERIOD

The presentation period provided in § 801 paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch, BGB*) is reduced to ten years for the Notes.

§ 9 EVENTS OF DEFAULT

(1) *Events of default.* Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at their Specified Denomination, in the event that

- (a) *Non-Payment:* the Issuer fails to pay principal in respect of the Notes or any other amount in respect of the Notes, in each case within 15 days from the relevant due date, whether at maturity, upon redemption or otherwise; or

- (b) *Breach of other Obligation:* the Issuer fails to duly perform any other obligation arising from the Notes and such failure continues

den Schuldverschreibungen unterlässt und diese Unterlassung länger als 30 Tage fort dauert, nachdem die Hauptzahlstelle hierüber eine Aufforderung, die Verpflichtung zu erfüllen, in der in Absatz (2) dafür vorgesehenen Form von einem Gläubiger erhalten hat; oder

unremedied for more than 30 days after the Principal Paying Agent has received a request thereof in the manner set forth in subparagraph (2) below from a Holder to perform such obligation; or

- (c) *Drittverzugsklausel:* (i) wenn eine bestehende oder zukünftige Zahlungsverpflichtung der Emittentin im Zusammenhang mit einer Kredit- oder sonstigen Geldaufnahme infolge einer Nichtleistung (unabhängig davon, wie eine solche definiert ist) vorzeitig fällig wird, oder (ii) wenn eine solche Zahlungsverpflichtung bei Fälligkeit oder nach Ablauf einer etwaigen Nachfrist nicht erfüllt wird, oder (iii) wenn die Emittentin einen Betrag, der unter einer bestehenden oder zukünftigen Garantie oder Gewährleistung im Zusammenhang mit einer Kredit- oder sonstigen Geldaufnahme, zur Zahlung fällig wird, bei Fälligkeit oder nach Ablauf einer etwaigen Nachfrist nicht zahlt, vorausgesetzt, dass der Gesamtbetrag der betreffenden Zahlungsverpflichtungen, Garantien oder Gewährleistungen, bezüglich derer eines oder mehrere der in diesem Absatz (c) genannten Ereignisse eintreten, mindestens einem Betrag von 3,00 % des Eigenkapitals des Emittenten, welches zum gegebenen Zeitpunkt in der Bilanz des letzten Jahresabschlusses der adidas AG ausgewiesen wurde, entspricht oder diesen übersteigt und der jeweilige Kündigungsgrund nicht innerhalb von 30 Tagen, nachdem die Emittentin eine diesbezügliche Mitteilung durch den Gläubiger nach Maßgabe von Absatz (2) erhalten hat, behoben wird. Dieser Absatz (c) ist jedoch nicht anwendbar, wenn die Emittentin ihre betreffenden Zahlungsverpflichtungen in gutem Glauben bestreitet; oder
- (c) *Cross-Default:* (i) any present or future payment obligation of the Issuer in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity for reason of the occurrence of a default (howsoever defined), or (ii) any such payment obligation is not met when due or, as the case may be, within an applicable grace period, or (iii) any amounts due under any present or future guarantee or warranty by the Issuer for moneys borrowed or raised are not paid when due or, as the case may be, within an applicable grace period, provided that the relevant aggregate amount of the payment obligation, guarantee or warranty in respect of which one or more of the events mentioned above in this subsection (c) has or have occurred equals or exceeds an amount which corresponds to 3.00 per cent. of the Issuer's equity, as shown from time to time in the balance sheet of the most recent annual financial statements of adidas AG, and such default continues for more than 30 days after the Issuer has received notice thereof from a Holder, such notice being substantially in the form as specified in paragraph (2), provided however, that this paragraph (c) shall not apply, where the Issuer contests its relevant payment obligation in good faith; or
- (d) *Zahlungseinstellung:* die Emittentin ihre Zahlungen einstellt oder schriftlich bekanntgibt, dass sie generell nicht mehr fähig ist, ihren finanziellen Verpflichtungen nachzukommen; oder
- (d) *Cessation of Payment:* the Issuer ceases its payments or announces in writing its inability to meet its financial obligations generally; or
- (e) *Einstellung der Geschäftstätigkeit:* die Emittentin direkt oder indirekt ihre Geschäftstätigkeit ganz oder überwiegend einstellt; oder
- (e) *Cessation of Business:* the Issuer ceases to carry out, directly or indirectly, all or substantially all of its business; or
- (f) *Insolvenz u.ä.:* ein Gericht ein Insolvenzverfahren gegen die Emittentin
- (f) *Insolvency etc.:* a court opens insolvency proceedings against the Issuer, such

eröffnet, ein solches Verfahren eingeleitet und nicht innerhalb einer Frist von 60 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin ein solches Verfahren beantragt oder eingeleitet hat; oder

(g) *Liquidation*: die Emittentin in Liquidation geht, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, einer Konzernbildung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft alle Verpflichtungen aus den Schuldverschreibungen, die sich aus diesen Anleihebedingungen ergeben, übernimmt.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(2) *Benachrichtigung*. Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß Absatz (1) ist mindestens in Textform (§ 126b BGB) gegenüber der Hauptzahlstelle zu erklären und an dessen bezeichnete Geschäftsstelle zusammen mit einem Nachweis durch eine Bescheinigung der Depotbank (wie in § 14 Absatz (3) definiert) oder in einer anderen geeigneten Weise zu übermitteln, dass der Benachrichtigende zum Zeitpunkt der Benachrichtigung ein Gläubiger der betreffenden Schuldverschreibung ist.

§ 10 ERSETZUNG

(1) *Ersetzung*. Die Emittentin ist jederzeit berechtigt ohne Zustimmung der Gläubiger jedes andere Unternehmen, das direkt oder indirekt von ihr kontrolliert wird an ihrer Stelle als neue Emittentin (die "**Neue Emittentin**") für alle Verpflichtungen aus und im Zusammenhang mit diesen Schuldverschreibungen mit schuldbefreiender Wirkung einzusetzen, vorausgesetzt, dass:

(a) die Neue Emittentin alle Verpflichtungen der Emittentin aus und im Zusammenhang mit den Schuldverschreibungen übernimmt und, wenn die Zustellung des Verfahrens gegenüber der Neuen Emittentin außerhalb der Bundesrepublik Deutschland zu erfolgen hat, einen Zustellungsbevollmächtigten innerhalb der Bundesrepublik Deutschland benennt;

proceedings are instituted and have not been discharged or stayed within 60 days, or the Issuer applies for or institutes such proceedings; or

(g) *Liquidation*: the Issuer enters into liquidation, unless such liquidation is to take place in connection with a merger, consolidation or any other form of combination with another company and such company assumes all obligations under the Notes arising from these Conditions of Issue.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Notice*. Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made at least in text form (§ 126b German Civil Code) to the specified office of the Principal Paying Agent together with a proof that such notifying Holder at the time of such notice is a holder of the relevant Notes by means of a statement of his Custodian (as defined in § 14(3)) or any other appropriate manner.

§ 10 SUBSTITUTION

(1) *Substitution*. The Issuer may at any time, without the consent of the Holders, substitute for the Issuer any other company which is directly or indirectly controlled by the Issuer, as new issuer (the "**New Issuer**") in respect of all obligations arising under or in connection with the Notes with the effect of releasing the Issuer of all such obligations, if:

(a) the New Issuer assumes any and all obligations of the Issuer arising under or in connection with the Notes and, if service of process vis-à-vis the New Issuer would have to be effected outside the Federal Republic of Germany, appoints a process agent within the Federal Republic of Germany;

- (b) die Emittentin und die Neue Emittentin alle erforderlichen Genehmigungen und Zustimmungen für die Ersetzung und die Erfüllung der Verpflichtungen aus und im Zusammenhang mit den Schuldverschreibungen erhalten haben;
- (c) die Neue Emittentin in der Lage ist, an das Clearing System oder die Hauptzahlstelle in Euro und ohne Abzug etwaiger Steuern oder anderer Abgaben jeglicher Art, die von dem Land (oder den Ländern) in dem (denen) die Neue Emittentin ihren Sitz oder Steuersitz hat auferlegt, erhoben oder abgezogen werden, alle Beträge zu zahlen, die für die Erfüllung der Verpflichtungen aus und im Zusammenhang mit den Schuldverschreibungen erforderlich sind; und;
- (d) die Emittentin unbedingt und unwiderruflich die Verbindlichkeiten der Neuen Emittentin unter den Schuldverschreibungen zu Bedingungen garantiert, die sicherstellen, dass jeder Gläubiger wirtschaftlich so gestellt wird, wie er ohne die Ersetzung stehen würde;
- (2) *Bekanntmachung.* Jede Ersetzung ist gemäß § 13 bekannt zu machen.
- (3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt:
- (i) jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin gilt als Bezugnahme auf die Neue Emittentin, es sei denn, der Sinn und Zweck der betreffenden Regelung erfordert, dass ein derartiger Verweis (x) ein Verweis auf die adidas AG bleibt, oder (y) ein Verweis auf die adidas AG und die Neue Emittentin bleibt; und
- (ii) jede Bezugnahme in diesen Anleihebedingungen auf die Bundesrepublik Deutschland gilt als Bezugnahme auf das Land, in dem die Neue Emittentin ihren Sitz oder Steuersitz hat, es sei denn, der obenstehende Unterabsatz (3)(i) bestimmt etwas anderes.
- (b) the Issuer and the New Issuer have obtained all authorisations and approvals necessary for the substitution and the fulfilment of the obligations arising under or in connection with the Notes;
- (c) the New Issuer is in the position to pay to the Clearing System or to the Principal Paying Agent in Euro and without deducting or withholding any taxes or other duties of whatever nature imposed, levied or deducted by the country (or countries) in which the New Issuer has its domicile or tax residence all amounts required for the performance of the payment obligations arising from or in connection with the Notes; and;
- (d) the Issuer irrevocably and unconditionally guarantees such obligations of the New Issuer under the Notes on terms which ensure that each Holder will be put in an economic position that is as favourable as that which would have existed if the substitution had not taken place.
- (2) *Notice.* Notice of any such substitution shall be published in accordance with § 13.
- (3) *Change of References.* In the event of any such substitution:
- (i) any reference in these Conditions of Issue to the Issuer shall be a reference to the New Issuer unless the meaning and purpose of the relevant condition requires such reference to remain (x) a reference to adidas AG or (y) a reference to adidas AG and the New Issuer; and
- (ii) any reference in these Conditions of Issue to the Federal Republic of Germany shall be a reference to the New Issuer's country of domicile for tax purposes, unless subparagraph (3)(i) above provides otherwise.

In § 7 und § 5 Absatz (2) gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Neue Emittentin ihren Sitz oder Steuersitz hat)

In § 7 and § 5(2) an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the New Issuer and in

und in § 9 Absatz (1)(c) bis (f) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Neue Emittentin) und ein weiterer Kündigungsgrund soll als aufgenommen gelten, der dann eintritt, wenn die Garantie aus irgendeinem Grund nicht mehr gilt.

Zum Zwecke der Feststellung eines Kontrollwechsels in § 5 Absatz (3) gilt eine alternative Bezugnahme auf die adidas AG in ihrer Eigenschaft als Garantin als aufgenommen, zusätzlich zu der Bezugnahme auf die Neue Emittentin.

§ 11 BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN UND ANKAUF

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Hauptzahlstelle zwecks Entwertung eingereicht werden.

§ 12 ÄNDERUNG DER ANLEIHEBEDINGUNGEN, GEMEINSAMER VERTRETER

(1) *Änderung der Anleihebedingungen.* Die Emittentin kann die Anleihebedingungen mit Zustimmung eines Mehrheitsbeschlusses der Gläubiger gemäß § 5 ff. SchVG ändern. Ohne Zustimmung der Emittentin ist eine Änderung der Anleihebedingungen nicht möglich. Insbesondere können die Gläubiger durch Beschlüsse mit den in untenstehendem Absatz (2) bestimmten Mehrheitserfordernissen Änderungen zustimmen, die den Inhalt der Anleihebedingungen wesentlich verändern, einschließlich der in § 5 Absatz (3) SchVG vorgesehenen Maßnahmen. Ein

§ 9(1)(c) to (f) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included (in addition to the reference to the New Issuer) and a further event of default shall be deemed to have been included; such event of default shall exist in the case that the guarantee is or becomes invalid for any reasons.

For the purpose of the determination of a Change of Control in § 5(3), an alternative reference to adidas AG in its capacity as guarantor shall be deemed to have been included in addition to the reference to the New Issuer.

§ 11 FURTHER ISSUES AND PURCHASES

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Principal Paying Agent for cancellation.

§ 12 AMENDMENT OF THE CONDITIONS OF ISSUE, HOLDERS' REPRESENTATIVE

(1) *Amendment of the Conditions of Issue.* The Issuer may amend the Conditions of Issue with the consent of a majority resolution of the Holders pursuant to §§ 5 et seqq. of the SchVG. There will be no amendment of the Conditions of Issue without the Issuer's consent. In particular, the Holders may consent to amendments which materially change the substance of the Conditions of Issue, including such measures as provided for under § 5 paragraph 3 SchVG, by resolutions passed by such majority of the votes of the Holders as stated under subparagraph (2) below. A duly

ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger verbindlich.

"SchVG" bezeichnet das Gesetz über Schuldverschreibungen aus Gesamtemissionen in der jeweils geänderten bzw. geltenden Fassung und alle Verweise in diesen Anleihebedingungen auf entsprechende Paragraphen des SchVG schließen insoweit auch Verweise auf alle anwendbaren gesetzlichen Bestimmungen ein, die diese Bestimmungen jeweils ändern bzw. ersetzen.

(2) *Mehrheitserfordernisse.* Mit Ausnahme der Bestimmungen des folgenden Satzes und unter der Voraussetzung, dass die Anforderungen an die Beschlussfähigkeit erfüllt sind, können die Gläubiger Beschlüsse mit einfacher Mehrheit der abstimmenden Stimmrechte fassen. Beschlüsse, die den Inhalt der Anleihebedingungen wesentlich verändern, insbesondere in den Fällen das § 5 Absatz (3) Nr. 1 bis 9 SchVG, oder die sich auf wesentliche andere Punkte beziehen, können nur mit einer Mehrheit von mindestens 75 % der abstimmenden Stimmrechte ("**Qualifizierte Mehrheit**") gefasst werden.

(3) *Beschlüsse der Gläubiger.* Die Gläubiger können Beschlüsse in einer Gläubigerversammlung gemäß § 5 ff. SchVG fassen, oder durch eine Abstimmung ohne Versammlung gemäß § 18 und § 5 ff. SchVG.

(4) *Teilnahme.* Die Teilnahme an der Gläubigerversammlung und die Ausübung von Stimmrechten erfordert eine Anmeldung der Gläubiger. Die Anmeldung muss spätestens am dritten Tag vor der Gläubigerversammlung bei der in der Einberufung angegebenen Adresse eingehen. Im Rahmen der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch eine besondere Bestätigung der Depotbank gemäß § 14 Absatz (4) in Textform oder Schriftform sowie durch Vorlage eines Sperrvermerks der Depotbank nachweisen, aus dem hervorgeht, dass die entsprechenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung bis einschließlich des angegebenen Endes der Versammlung nicht übertragbar sind.

(5) *Stimmrecht.* Gemeinsam mit der Stimmabgabe müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch eine besondere

passed majority resolution shall be binding upon all Holders.

"SchVG" means the German Debt Securities Act (*Gesetz über Schuldverschreibungen aus Gesamtemissionen – SchVG*), as amended or replaced from time to time, and any references in these Conditions of Issue to relevant paragraphs of the SchVG include references to any applicable provisions of law amending or replacing such provisions from time to time.

(2) *Majority.* Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Conditions of Issue, in particular in the cases of § 5 paragraph 3 numbers 1 through 9 SchVG, or relating to material other matters, may only be passed by a majority of at least 75 per cent. of the voting rights participating in the vote (a "**Qualified Majority**").

(3) *Resolution of Holders.* The Holders can pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with § 5 et seqq. SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 and § 5 et seqq. SchVG.

(4) *Attendance.* Attendance at the meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(4) in text format or in written form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

(5) *Voting rights.* Together with casting their votes Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance

Bestätigung der Depotbank gemäß § 14 Absatz (4) in Textform oder Schriftform sowie durch Vorlage eines Sperrvermerks der Depotbank nachweisen, aus dem hervorgeht, dass die entsprechenden Schuldverschreibungen ab dem Tag der Stimmabgabe bis einschließlich des Ablaufs der Abstimmungsfrist nicht übertragbar sind.

Sofern festgestellt wurde, dass die Beschlussfähigkeit der Gläubigerversammlung gemäß des vorstehenden Absatzes (4) oder die Abstimmung ohne Versammlung gemäß dieses Absatzes (5) nicht gegeben ist, kann im Fall einer Gläubigerversammlung der Vorsitzende eine zweite Versammlung zum Zweck der erneuten Beschlussfassung gemäß § 15 Absatz (3) Satz 2 SchVG einberufen, oder der Abstimmungsleiter kann im Falle einer Abstimmung ohne Versammlung eine zweite Versammlung gemäß § 15 Absatz (3) Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung des Stimmrechts erfordern eine vorherige Anmeldung der Gläubiger. Bezüglich der Anmeldung der Gläubiger zu einer zweiten Versammlung gelten die Bestimmungen des Absatzes (4) Satz 3 entsprechend.

(6) *Gemeinsamer Vertreter.* Die Gläubiger können durch Mehrheitsbeschluss die Bestellung oder Abberufung eines gemeinsamen Vertreters (der "**Gemeinsame Vertreter**"), die Aufgaben sowie Rechte und Pflichten des Gemeinsamen Vertreters, die Übertragung der Rechte durch die Gläubiger auf den Gemeinsamen Vertreter und eine Haftungsbeschränkung des Gemeinsamen Vertreters bestimmen. Sofern der Gemeinsame Vertreter die Befugnis erlangen soll, einer wesentlichen Änderung des Inhalts der Anleihebedingungen gemäß des obenstehenden Absatzes (2) zuzustimmen, kann die Bestellung des Gemeinsamen Vertreters nur durch Qualifizierte Mehrheit erfolgen.

(7) *Garantie.* Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen einer etwaigen Garantie gemäß § 10 Absatz (1)(d).

Alle diesen § 12 betreffenden Mitteilungen haben ausschließlich nach den Bestimmungen des SchVG zu erfolgen.

with § 14(4) in text format or in written form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such votes have been cast until and including the day the voting period ends.

If it is ascertained that no quorum exists for the meeting pursuant to subparagraph (4) above or the vote without a meeting pursuant to this subparagraph (5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with § 15 paragraph 3 sentence 2 SchVG or in case of a vote without a meeting the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of § 15 paragraph 3 sentence 3 SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The provisions set out in subparagraph (4) sentence 3 above shall apply *mutatis mutandis* to the Bondholders' registration for a second meeting.

(6) *Holder's Representative.* The Holders may by majority resolution provide for the appointment or dismissal of a joint representative (the "**Joint Representative**"), the duties and responsibilities and the powers of such Joint Representative, the transfer of the rights of the Holders to the Joint Representative and a limitation of liability of the Joint Representative. Appointment of a Joint Representative may only be passed by a Qualified Majority if such Joint Representative is to be authorised to consent, in accordance with subparagraph (2) above, to a material change in the substance of the Conditions of Issue.

(7) *Guarantee.* The provisions set out above applicable to the Notes will apply *mutatis mutandis* to any guarantee granted pursuant to § 10(1)(d).

All notices concerning this § 12 shall be made exclusively pursuant to the provisions of the SchVG.

§ 13 MITTEILUNGEN

(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Internetseite der Luxemburger Börse (www.bourse.lu). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System.* Solange Schuldverschreibungen an der *official list* der Luxemburger Börse notiert sind, findet Absatz (1) Anwendung. Soweit die Regeln der Luxemburger Börse dies sonst zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.

(3) *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen in Textform (z.B. Email oder Fax) oder schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 14 Absatz (3) an die Hauptzahlstelle geschickt werden. Eine solche Mitteilung kann über das Clearing System in der von der Hauptzahlstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

§ 14 ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

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

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**") ist das Landgericht Frankfurt am Main.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die

§ 13 NOTICES

(1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice so given will be deemed to have been validly given on the third day following the date of such publication.

(2) *Notification to Clearing System.* So long as any Notes are listed on the official list of the Luxembourg Stock Exchange, subparagraph (1) shall apply. If the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.

(3) *Form of Notice.* Notices to be given by any Holder shall be made by means of a declaration in text format (*Textform*, e.g. email or fax) or in written form sent together with an evidence of the Holder's entitlement in accordance with § 14(3) to the Principal Paying Agent. Such notice may be given through the Clearing System in such manner as the Principal Paying Agent and the Clearing System may approve for such purpose.

§ 14 APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Submission to Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main shall have non-exclusive jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Notes.

(3) *Enforcement.* Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect

Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

(4) *Nachweis der Berechtigung zur Teilnahme an der Gläubigerversammlung.* Die Einberufung einer Gläubigerversammlung gemäß § 12 kann vorsehen, wie die Berechtigung zur Teilnahme daran nachzuweisen ist. Sofern die Einberufung nichts anderes bestimmt, berechtigt ein von einem durch die Emittentin zu ernennenden Beauftragten ausgestellter Stimmzettel seinen Inhaber zur Teilnahme an und zur Stimmabgabe in der Gläubigerversammlung. Der Stimmzettel kann vom Gläubiger bezogen werden, indem er mindestens sechs Tage vor dem für die Gläubigerversammlung bestimmten Datum

and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

(4) *Proof for taking part in the Holders' Meeting.* The convening notice of a Holders' meeting pursuant to § 12 shall provide what proof is required to be entitled to take part in the Holders' meeting. Unless otherwise provided in the convening notice, a voting certificate obtained from an agent to be appointed by the Issuer shall entitle its bearer to attend and vote at the Holders' meeting. A voting certificate may be obtained by a Holder if at least six days before the date fixed for the Holders' meeting, such Holder

(a) seine Schuldverschreibungen bei einem durch die Emittentin zu ernennenden Beauftragten oder gemäß einer Weisung dieses Beauftragten bei einer von dem Beauftragten benannten Depotbank oder anderen Verwahrer für die Zwecke der Teilnahme an und Stimmabgabe in der Gläubigerversammlung hinterlegt hat oder

(b) seine Schuldverschreibungen bei einer Depotbank in Übereinstimmung mit deren Verfahrensregeln gesperrt sowie einen Nachweis über die Inhaberschaft und Sperrung der Schuldverschreibungen an den Beauftragten der Emittentin geliefert hat.

Der Stimmzettel ist zu datieren und muss die betreffende Gläubigerversammlung bezeichnen sowie den ausstehenden Nennbetrag und etwaige Seriennummern der Schuldverschreibungen, die entweder hinterlegt oder bei einer Depotbank gesperrt sind, angeben. Die Einberufung kann auch die Erbringung eines Identitätsnachweises der ein Stimmrecht ausübenden Person vorsehen. Hat der jeweilige Beauftragte der Emittentin einen Stimmzettel für eine Schuldverschreibung ausgegeben, dürfen die Schuldverschreibungen solange nicht freigegeben bzw. deren Übertragung zugelassen werden, bis entweder die Gläubigerversammlung beendet oder der jeweiligen Beauftragten der Stimmzettel zurückgegeben worden ist.

§ 15 SPRACHE

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

(a) deposits its Notes for such purpose with an agent to be appointed by the Issuer or to the order of such agent with a Custodian or other depository nominated by such agent for such purpose or

(b) blocks its Notes in an account with a Custodian in accordance with the procedures of the Custodian and delivers a confirmation stating the ownership and blocking of its Notes to the agent of the Issuer.

The voting certificate shall be dated and shall specify the Holders' meeting concerned and the total number, the outstanding principal amount and the serial numbers (if any) of the Notes either deposited or blocked in an account with the Custodian. The convening notice may also require a proof of identity of a person exercising a voting right. Once the relevant agent of the Issuer has issued a voting certificate for a Holders' meeting in respect of a Note, the Notes shall neither be released nor permitted to be transferred until either such Holders' meeting has been concluded or the voting certificate has been surrendered to the relevant agent of the Issuer.

§ 15 LANGUAGE

These Conditions of Issue are written in the German language. The German text shall be controlling and binding. The English language translation is provided for convenience only.

CONDITIONS OF ISSUE OF THE 2035 NOTES

*These terms and conditions of the notes (the "**Conditions of Issue**") are written in the German language and provided with an English language translation. The German text shall be the legally binding version. The English language translation is provided for convenience only.*
*Diese Anleihebedingungen (die "**Anleihebedingungen**") sind in deutscher Sprache abgefasst und mit einer englischen Übersetzung versehen. Der deutsche Wortlaut ist rechtsverbindlich. Die englische Übersetzung dient nur zur Information.*

ANLEIHEBEDINGUNGEN

§ 1 WÄHRUNG, NENNBETRAG, FORM, BESTIMMTE DEFINITIONEN

(1) *Währung; Nennbetrag.* Die Anleihe der adidas AG (die "**Emittentin**"), begeben im Gesamtnennbetrag (vorbehaltlich § 1 Absatz (6)) von EUR 500.000.000 ist eingeteilt in 5.000 unter sich gleichrangige Schuldverschreibungen im Nennbetrag von je EUR 100.000 (die "**festgelegte Stückelung**") (für die Zwecke dieser Anleihebedingungen, die "**Schuldverschreibungen**").

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in der festgelegten Stückelung, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Hauptzahlstelle oder in dessen Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Begebung der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen

CONDITIONS OF ISSUE

§ 1 CURRENCY, PRINCIPAL AMOUNT, FORM, CERTAIN DEFINITIONS

(1) *Currency; Principal Amount.* The issue by adidas AG (the "**Issuer**") issued in the aggregate principal amount, subject to § 1(6) of EUR 500,000,000 is divided into 5,000 notes in the principal amount of EUR 100,000 each (the "**Specified Denomination**") and ranking *pari passu* with each other (for the purposes of these Conditions of Issue, the "**Notes**").

(2) *Form.* The Notes are being issued in bearer form.

(3) *Temporary Global Note – Exchange.*

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorized signatories of the Issuer and shall each be authenticated by or on behalf of the Principal Paying Agent. Definitive Notes and interest coupons will not be issued.

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date 40 days after the date of issue of the Notes represented by the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain

Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieften Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz (3) auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 6 Absatz (2) definiert) geliefert werden.

(4) *Clearing System.* Die Globalurkunde, die die Schuldverschreibung verbrieft, wird von einem oder für ein Clearing Systems verwahrt. "**Clearing System**" bedeutet jeweils folgendes: Clearstream Banking, société anonyme (42 Avenue JF Kennedy, 1855 Luxemburg, Luxemburg) ("**CBL**") and Euroclear Bank SA/NV (Boulevard du Roi Albert II, 1210 Brussels, Belgien) ("**Euroclear**") (CBL und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**") sowie jeder Funktionsnachfolger.

Die Schuldverschreibungen werden in Form einer New Global Note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.

(5) *Gläubiger von Schuldverschreibungen.* "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Rechts an den Schuldverschreibungen.

(6) *Register der ICSDs.* Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen die Register zu verstehen sind, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind

financial institutions or certain persons holding Notes through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Notes represented by the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 6(2)).

(4) *Clearing System.* The global note representing the Notes will be kept in custody by or on behalf of the Clearing System. "**Clearing System**" means each of the following: Clearstream Banking, société anonyme (42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg) ("**CBL**") and Euroclear Bank SA/NV (Boulevard du Roi Albert II, 1210 Brussels, Belgium) ("**Euroclear**") (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**") and any successor in such capacity.

The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

(5) *Holder of Notes.* "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(6) *Records of the ICSDs.* The aggregate principal amount of Notes represented by the global note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the

maßgeblicher Nachweis des Gesamtnennbetrages der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine für zu diesem Zweck von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist maßgebliche Bescheinigung des Inhalts des Registers des betreffenden ICSD zu dem fraglichen Zeitpunkt.

Bei jeder Rückzahlung oder einer Zinszahlung auf die durch die Globalurkunde verbrieften Schuldverschreibungen bzw. beim Kauf und der Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten der Rückzahlung, Zahlung oder des Kaufs und der Entwertung bezüglich der Globalurkunde entsprechend in die Unterlagen der ICSDs eingetragen werden, und dass nach dieser Eintragung vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs entsprechend in die Register der ICSDs aufgenommen werden

§ 2 STATUS UND NEGATIVVERPFLICHTUNG

(1) *Status.* Die Verpflichtungen aus den Schuldverschreibungen begründen nicht nachrangige und nicht besicherte Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Im Falle der Insolvenz oder Liquidation der Emittentin sind die Verbindlichkeiten der Emittentin unter den Schuldverschreibungen mindestens gleichrangig mit allen sonstigen gegenwärtigen und zukünftigen nicht nachrangigen und nicht besicherten Verpflichtungen der Emittentin, mit Ausnahme solcher Verpflichtungen, die nach anwendbarem Recht vorrangig sein können.

(2) *Negativverpflichtung.* Solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen gemäß diesen Anleihebedingungen dem Clearing System zur Verfügung gestellt worden sind, verpflichtet

global note and, for these purposes, a statement issued by a ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the global note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the global note shall be entered accordingly in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the global note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered accordingly in the records of the ICSDs.

§ 2 STATUS AND NEGATIVE PLEDGE

(1) *Status.* The obligations under the Notes constitute unsubordinated and unsecured obligations of the Issuer which rank *pari passu* among themselves. In the insolvency or liquidation of the Issuer, the obligations of the Issuer under the Notes rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations which may be preferred by applicable law.

(2) *Negative Pledge.* So long as any of the Notes remain outstanding, but only up to the time all amounts of principal and interest payable in accordance with these Conditions of Issue have been placed at the disposal of the Clearing System, the Issuer undertakes not to

sich die Emittentin, keine Grund- und Mobiliarpfandrechte, sonstige Pfandrechte oder dingliche Sicherheiten oder sonstige Sicherungsrechte in Bezug auf das gesamte gegenwärtige oder zukünftige Vermögen oder Teile davon, oder in Bezug auf das gesamte gegenwärtige oder zukünftige Vermögen oder Teile davon einer Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeiten, einschließlich diesbezüglicher Garantien oder Freistellungsansprüche, zu gewähren, ohne gleichzeitig die Gläubiger in gleicher Weise und anteilig an einem solchen Sicherungsrecht zu beteiligen oder ihnen ein gleichwertiges Sicherungsrecht zu gewähren, das von einem unabhängigen Sachverständigen als gleichwertiges Sicherungsrecht eingestuft wird. Die Verpflichtung gemäß Satz 1 dieses § 2 Absatz (2) gilt jedoch nicht für ein Sicherungsrecht, welches (i) nach anwendbarem Recht zwingend vorgeschrieben ist, (ii) als Voraussetzung für behördliche Genehmigungen erforderlich ist, oder (iii) von einer Tochtergesellschaft über alle Ansprüche dieser Tochtergesellschaft gegen die Emittentin oder eine ihrer Tochtergesellschaften bestellt wird, wenn es gegenwärtig besteht oder zu einem beliebigen Zeitpunkt in der Zukunft aufgrund der Weitergabe der Erlöse aus dem Verkauf von Schuldverschreibungen durch diese Tochtergesellschaft entsteht. Jedes Sicherungsrecht gemäß dieses § 2 Absatz (2) darf auch Personen gegenüber gewährt werden, die als Treuhänder der Gläubiger agieren.

Für Zwecke dieses § 2 bezeichnet **"Kapitalmarktverbindlichkeit"** jede bestehende oder zukünftige Verbindlichkeit der Emittentin bezüglich Geldaufnahmen in Form von, oder verbrieft durch, Schuldverschreibungen oder ähnliche Wertpapiere, soweit sie an einer Börse oder einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden können, oder in Form von Schuldscheindarlehen nach deutschem Recht.

"Tochtergesellschaft" bedeutet jede Körperschaft, Personengesellschaft oder sonstige Gesellschaft, an der die Emittentin direkt oder indirekt insgesamt mehr als 50 % des Kapitals oder der Stimmrechte hält, oder die im Konzernabschluss der Emittentin voll konsolidiert werden muss.

provide any mortgage, charge, pledge or other security interest in rem over any or all of its present or future assets or any or all of the present or future assets on any Subsidiary, as security for any present or future Capital Market Indebtedness, including any guarantee or indemnity in respect of such Capital Market Indebtedness, without at the same time having the Holders share equally and rateably in such security or such other security as shall be approved by an independent expert as being equivalent security. The undertaking pursuant to sentence 1 of this § 2(2) shall not apply to any security which is (i) mandatory according to applicable laws, (ii) required as a prerequisite for governmental approvals, or (iii) which is provided by a Subsidiary over any claims of such Subsidiary against the Issuer or any of its Subsidiaries, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the sale by such Subsidiary of any Notes. Any security to be provided pursuant to this § 2(2) may also be provided to a person acting as trustee for the Holders.

For the purposes of this § 2, **"Capital Market Indebtedness"** means any present or future obligation of the Issuer for the payment of borrowed money which is in the form of, or represented by, debt securities or similar securities which are capable of being quoted, listed, dealt in or traded on a stock exchange or another recognized securities market, or in the form of Schuldschein loans governed by German law.

"Subsidiary" means any corporation, partnership or other enterprise in which the Issuer directly or indirectly holds in the aggregate more than 50 per cent. of the capital or the voting rights or which is required to be fully consolidated in the Issuer's consolidated accounts.

§ 3 ZINSEN

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar ab dem 8. September 2020 (einschließlich) mit jährlich 0,625 %. Die Zinsen sind nachträglich am 10. September eines jeden Jahres zahlbar (jeweils ein "**Zinszahlungstag**"). Die erste Zinszahlung erfolgt am 10. September 2021 (erste lange Zinsperiode).

(2) *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen. Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Absatz 1 BGB.

(3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).

(4) *Zinstagequotient.* "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für einen Zeitraum, der gleich lang, oder kürzer als eine Zinsperiode ist, die tatsächliche Anzahl von Tagen im jeweiligen Zeitraum, berechnet ab dem Datum, ab dem die Zinsen auflaufen (einschließlich), bis zu dem Datum, an dem sie fällig werden (ausschließlich), dividiert durch die tatsächliche Anzahl von Tagen in der Zinsperiode, in welche der jeweilige Zeitraum fällt (einschließlich des ersten solchen Tages, jedoch nicht des letzten Tages).

§ 4 ZAHLUNGEN

(1) *Zahlungen auf Kapital und von Zinsen.* Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe von § 4 Absatz (2) an das Clearing System oder dessen Order zur Gutschrift auf

§ 3 INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount at the rate of 0.625 per cent. *per annum* from (and including) September 8, 2020. Interest shall be payable in arrear on September 10 in each year (each such date, an "**Interest Payment Date**"). The first payment of interest shall be made on September 10, 2021 (long first coupon).

(2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue beyond the due date until the actual redemption of the Notes at the default rate of interest established by law. The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time; §§ 288(1), 247(1) German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

(4) *Day Count Fraction.* "**Day Count Fraction**" means with regard to the calculation of interest on any Note in respect of a period which is equal to or shorter than an interest period the actual number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the actual number of days in the interest period in which the relevant period falls (including the first such day but excluding the last).

§ 4 PAYMENTS

(1) *Payment of Principal and Interest.* Payment of principal and interest in respect of Notes shall be made, subject to § 4(2) below, to the Clearing System or to its order for credit to the

den Konten der jeweiligen Kontoinhaber des Clearing Systems.

Die Zahlung von Zinsen auf Schuldverschreibungen, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von § 4 Absatz (2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz (3)(b).

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in Euro.

(3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahlungsgeschäftstag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahlungsgeschäftstag. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

Für diese Zwecke bezeichnet "**Zahlungsgeschäftstag**" einen Tag, der ein Tag (außer einem Samstag oder Sonntag) ist, an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) ("**TARGET**") betriebsbereit sind, um die betreffenden Zahlungen weiterzuleiten.

(5) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Vorzeitigen Rückzahlungsbetrag (Call) der Schuldverschreibungen; sämtliche gemäß § 7 zahlbaren Zusätzlichen Beträge; sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf die Schuldverschreibungen schließen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren Zusätzlichen Beträge ein.

accounts of the relevant account holders of the Clearing System.

Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to § 4(2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 1(3)(b).

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in euro.

(3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means any day which is a day (other than a Saturday or a Sunday) on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) ("**TARGET**") are operational to forward the relevant payment.

(5) *References to Principal and Interest.* References in these Conditions of Issue to principal in respect of the Notes shall be deemed to include, as applicable: the Early Call Redemption Amount of the Notes; any Additional Amounts which may be payable under § 7; and any other amounts which may be payable under or in respect of the Notes. References in these Conditions of Issue to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.

§ 5 RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrer festgelegten Stückelung am 10. September 2035 (der "**Fälligkeitstag**") zurückgezahlt.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Hauptzahlstelle und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrer festgelegten Stückelung zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Schuldverschreibungen begeben wird, wirksam) am nächstfolgenden Zinszahlungstag (wie in § 3 Absatz (1) definiert) zur Zahlung von Zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen vernünftiger, der Emittentin zur Verfügung stehender Maßnahmen vermieden werden kann.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von Zusätzlichen Beträgen nicht mehr wirksam ist.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht

§ 5 REDEMPTION

(1) *Final Redemption.* Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Specified Denomination on September 10, 2035 (the "**Maturity Date**").

(2) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after the date on which the last tranche of this series of Notes was issued, the Issuer is required to pay Additional Amounts (as defined in § 7 herein) on the next succeeding Interest Payment Date (as defined in § 3(1)), and this obligation cannot be avoided by the use of reasonable measures available to the Issuer the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Principal Paying Agent and, in accordance with § 13 to the Holders, at their Specified Denomination together with interest accrued (if any) to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts were a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Any such notice shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts

der Emittentin begründenden Umständen darlegt.

(3) *Vorzeitige Rückzahlung aufgrund eines Kontrollwechsels.* Tritt ein Kontrollwechsel (ein "**Kontrollwechsel-Ereignis**") ein, hat jeder Gläubiger das Recht (sofern nicht die Emittentin, bevor die nachstehend beschriebene Kontrollwechsel-Ereignis-Mitteilung gemacht wird, die Rückzahlung der Schuldverschreibungen nach § 5 Absatz (2) angezeigt hat), die Rückzahlung seiner Schuldverschreibungen durch die Emittentin zu ihrer festgelegten Stückelung zuzüglich bis zu dem Vorzeitigen Rückzahlungstag aufgelaufener Zinsen an dem Tag zu verlangen, der 30 Tage nach der Veröffentlichung einer Kontrollwechsel-Ereignis-Mitteilung liegt ("**Vorzeitiger Rückzahlungstag**").

Die Emittentin wird die Gläubiger von einem Kontrollwechsel-Ereignis und von dem Tag, an dem dieses Kontrollwechsel-Ereignis eingetreten ist, in Kenntnis setzen (eine "**Kontrollwechsel-Ereignis-Mitteilung**"), sobald dies nach Kenntniserlangung praktikabel ist.

Zur Ausübung dieses Wahlrechts muss der Gläubiger eine ordnungsgemäß ausgefüllte Ausübungserklärung in Textform oder schriftlich bei der angegebenen Niederlassung der Hauptzahlstelle einreichen (die "**Ausübungserklärung**"). Eine solche Ausübungserklärung muss der Hauptzahlstelle während der normalen Geschäftsstunden innerhalb eines Zeitraums von 15 Tagen, nachdem die Kontrollwechsel-Ereignis-Mitteilung veröffentlicht wurde, übermittelt werden. Ein so ausgeübtes Wahlrecht kann nicht ohne vorherige Zustimmung der Emittentin widerrufen oder zurückgezogen werden.

Dabei gilt Folgendes:

ein "**Kontrollwechsel**" als eingetreten gilt, wenn eine Person oder Personen, die ihr Verhalten aufeinander abgestimmt haben oder eine oder mehrere Personen, die für eine solche Person handelt bzw. für solche Personen handeln, zu irgendeinem Zeitpunkt direkt oder indirekt (i) mehr als dreißig (30) Prozent des Eigenkapitals der Emittentin erwirbt/erwerben oder (ii) eine Anzahl von Anteilen am Eigenkapital der Emittentin erwirbt/erwerben, der mehr als dreißig (30) Prozent der in Hauptversammlungen der Emittentin ausübaren Stimmrechte trägt;

constituting the basis for the right of the Issuer so to redeem.

(3) *Early Redemption due to a Change of Control.* If a Change of Control occurs (a "**Change of Control Event**"), each Holder will have the option (unless, prior to the giving of the Change of Control Event Notification referred to below, the Issuer gives notice to redeem the Notes in accordance with § 5(2)) to require the Issuer to redeem the Notes of such Holder at their Specified Denomination together with interest accrued to the Early Redemption Date on the date which falls 30 days following the publication of a Change of Control Event Notification (such date the "**Early Redemption Date**").

The Issuer shall give notice to the Holders of the occurrence of a Change of Control Event and of the date on which such Change of Control Event occurred (a "**Change of Control Event Notification**") as soon as practicable after becoming aware thereof.

In order to exercise such option, the Holder must submit to the specified office of the Principal Paying Agent a duly completed option exercise notice in text form or written form ("**Exercise Notice**"). Such Exercise Notice must be submitted to the Principal Paying Agent during normal business hours within a period of 15 days after a Change of Control Event Notification has been given. No option so exercised may be revoked or withdrawn without the prior consent of the Issuer.

Where:

A "**Change of Control**" shall be deemed to have occurred if any person or Persons Acting in Concert or any person or persons acting on behalf of any such person(s), at any time directly or indirectly acquire(s) (i) more than 30 per cent. of the share capital (*Eigenkapital*) of the Issuer or (ii) such number of shares in the capital (*Anteile am Eigenkapital*) of the Issuer carrying more than 30 per cent. of the voting rights exercisable at respective general meetings of the Issuer.

"Personen, die ihr Verhalten aufeinander abgestimmt haben" bezeichnet Personen, die ihr Verhalten i.S.d. § 34 Absatz (2) Wertpapierhandelsgesetz aufeinander abgestimmt haben.

(4) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt aber nicht teilweise innerhalb des Wahl-Rückzahlungszeitraums (Call) am Wahl-Rückzahlungstag (Call) zu ihrer festgelegten Stückelung nebst etwaigen bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

"Wahl-Rückzahlungszeitraum (Call)" bezeichnet den Zeitraum ab 10. Juni 2035 (einschließlich) bis zum Fälligkeitstag (ausschließlich).

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § 13 bekannt zu geben. Sie beinhaltet die folgenden Angaben:

(i) die genaue Bezeichnung der zurückzuzahlenden Schuldverschreibungen; und

(ii) den Zahlungsgeschäftstag innerhalb des Wahl-Rückzahlungszeitraums (Call), an dem die Rückzahlung nach Ausübung des Wahlrechts der Emittentin erfolgen wird (der **"Wahl-Rückzahlungstag (Call)"**). Der Wahl-Rückzahlungstag (Call) darf nicht weniger als 15 und nicht mehr als 30 Tage auf den Tag der Kündigung durch die Emittentin gegenüber den Gläubigern folgen.

(5) *Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringem ausstehendem Nennbetrag.* Wenn zu irgendeinem Zeitpunkt der Gesamtnennbetrag der ausstehenden und nicht von der Emittentin und ihren Tochtergesellschaften gehaltenen Schuldverschreibungen auf 20 % oder weniger des Gesamtnennbetrags der Schuldverschreibungen, die ursprünglich ausgegeben wurden (einschließlich Schuldverschreibungen, die gemäß § 11 Absatz (1) zusätzlich begeben worden sind), fällt, kann die Emittentin die verbleibenden Schuldverschreibungen (insgesamt, jedoch nicht teilweise) kündigen und zum Nennbetrag zuzüglich bis zu dem für

"Persons Acting in Concert" means persons acting in concert within the meaning of § 34 (2) of the German Securities Trading Act (*Wertpapierhandelsgesetz*).

(4) *Early Redemption at the Option of the Issuer.*

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all of the Notes but not some of the Notes only within the Call Redemption Period on the Call Redemption Date at their Specified Denomination together with accrued interest, if any, to (but excluding) the Call Redemption Date.

"Call Redemption Period" means the period from, and including, June 10, 2035 to, but excluding, the Maturity Date.

(b) Notice of redemption shall be given by the Issuer to the Holders in accordance with § 13. Such notice shall specify:

(i) the exact specification of the Notes subject to redemption; and

(ii) the Payment Business Day within the Call Redemption Period on which the redemption will occur at the option of the Issuer (the **"Call Redemption Date"**). The Call Redemption Date may not be less than 15 nor more than 30 days after the date on which notice is given by the Issuer to the Holders.

(5) *Early Redemption at the Option of the Issuer for Reason of Minimal Outstanding Amount.* If at any time the aggregate principal amount of the Notes outstanding and held by persons other than the Issuer and its subsidiaries is equal to or less than 20 per cent. of the aggregate principal amount of the Notes originally issued (including any Notes additionally issued in accordance with § 11(1)), the Issuer may call and redeem the remaining Notes (in whole but not in part) at their Specified Denomination together with interest accrued to the date fixed for redemption.

die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückzahlen.

(6) *Vorzeitige Rückzahlung nach Wahl der Emittentin zum Vorzeitigen Rückzahlungsbetrag (Call) (make-whole call).*

(a) Die Emittentin ist berechtigt, alle ausstehenden Schuldverschreibungen insgesamt aber nicht teilweise, mit einer Kündigungsfrist von mindestens 15 und höchstens 30 Tagen zu einem in der Kündigungserklärung bestimmten Tag (der "**Wahl-Rückzahlungstag (Call)**") gegenüber der Hauptzahlstelle und gemäß § 13 gegenüber den Gläubigern nach ihrer Wahl jederzeit vorzeitig zu kündigen und diese zum Vorzeitigen Rückzahlungsbetrag (Call) zuzüglich bis zu dem für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurück zu zahlen.

Der "**Vorzeitige Rückzahlungsbetrag (Call)**" (welcher den Gläubigern gemäß § 13 und der Hauptzahlstelle mitzuteilen ist) einer Schuldverschreibung entspricht der Summe aus:

- (i) der festgelegten Stückelung der zurückzuzahlenden Schuldverschreibung; und
- (ii) der Anwendbaren Prämie (wie nachstehend definiert); und
- (iii) etwaigen bis zum Tag der Rückzahlung aufgelaufenen und nicht gezahlten Zinsen.

Der Vorzeitige Rückzahlungsbetrag (Call) wird von der Berechnungsstelle berechnet.

"**Anwendbare Prämie**" bezeichnet die etwaige Differenz zwischen

- (i) dem Barwert zum Tag der Rückzahlung
 - (A) der festgelegten Stückelung der zurückzuzahlenden Schuldverschreibung; zuzüglich
 - (B) aller bis zum Fälligkeitstag (ausschließlich) vorgesehenen und noch fällig werdenden Zinszahlungen, abgezinst mit der Benchmark-Verzinsung zuzüglich 0,15%, und

(6) *Early Redemption at the Option of the Issuer at Early Call Redemption Amount (make-whole call).*

(a) The Issuer may at any time upon not less than 15 days' nor more than 30 days' prior notice of redemption given to the Principal Paying Agent and, in accordance with § 13 to the Holders redeem, at its option, the remaining Notes in whole but not in part, on a date specified in the call notice (the "**Call Redemption Date**") at their Early Call Redemption Amount together with interest accrued to the date fixed for redemption.

The "**Early Call Redemption Amount**" (to be notified to the Holders in accordance with § 13 and to the Principal Paying Agent) of a Note shall be an amount equal to the sum of:

- (i) the Specified Denomination of the relevant Note to be redeemed; and
- (ii) the Applicable Premium (as defined below); and
- (iii) accrued but unpaid interest, if any, to, the redemption date.

The Early Call Redemption Amount shall be calculated by the Calculation Agent.

"**Applicable Premium**" means the difference, if any, of

- (i) the present value on such redemption date of
 - (A) the Specified Denomination of the relevant Note, plus
 - (B) all remaining scheduled interest payments on such Note to (but excluding) the Maturity Date
- discounted with the Benchmark Yield plus 0.15 per cent. over

(ii) dem Nennbetrag der Schuldverschreibung zum Tag der Rückzahlung.

(ii) the principal amount of such Note on the redemption date.

Die "**Benchmark Verzinsung**" entspricht der am Rückzahlungs-Berechnungstag bestehenden Rendite bis zur Fälligkeit einer Bundesanleihe der Bundesrepublik Deutschland mit einer festen Laufzeit (wie offiziell bestimmt – oder falls solche Finanzinformationen zugänglich sind, wie aus anderen von der Emittentin ordnungsgemäß ausgewählten, öffentlich zugänglichen vergleichbaren Marktdaten ersichtlich), die der Zeitspanne vom Tag der Rückzahlung bis zum Fälligkeitstag am ehesten entspricht. Sollte jedoch diese Zeitspanne vom Tag der Rückzahlung bis zum jeweiligen Fälligkeitstag nicht der Festlaufzeit einer solchen Bundesanleihe der Bundesrepublik Deutschland entsprechen, für die eine wöchentliche Durchschnittsrendite angegeben wird, so ist die Benchmark-Verzinsung im Wege der linearen Interpolation (berechnet auf das nächste Zwölftel eines Jahres) aus den wöchentlichen Durchschnittsrenditen solcher Bundesanleihen der Bundesrepublik Deutschland zu ermitteln, für die solche Renditen angegeben werden. Soweit die Zeitspanne vom Tag der Rückzahlung bis zum Fälligkeitstag geringer als ein Jahr ist, so ist jedoch die wöchentliche Durchschnittsrendite einer tatsächlich gehandelten Bundesanleihe der Bundesrepublik Deutschland angepasst auf eine Festlaufzeit von einem Jahr anzuwenden.

The "**Benchmark Yield**" shall be the yield to maturity at the Redemption Calculation Date of a *Bundesanleihe* (senior unsecured bond) of the Federal Republic of Germany with a constant maturity (as officially compiled - or if such financial statistics are not available, as apparent from any publicly available source of similar market data selected by the Issuer in good faith)), most nearly equal to the period from the redemption date to the Maturity Date of the relevant Note *provided, however*, that if the period from the redemption date to the Maturity Date is not equal to the constant maturity of the *Bundesanleihe* of the Federal Republic of Germany for which a weekly average yield is given, the Benchmark Yield shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of *Bundesanleihen* of the Federal Republic of Germany for which such yields are given, except that if the period from such redemption date to the Maturity Date is less than one year, the weekly average yield on actually traded *Bundesanleihen* of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used.

"**Rückzahlungs-Berechnungstag**" ist der sechste Geschäftstag vor dem Rückzahlungstag.

"**Redemption Calculation Date**" means the sixth Business Day prior to the date fixed for redemption.

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § 13 bekannt zu machen und der Hauptzahlstelle mindestens 15 Tage vorher zu schicken und sollte zumindest Angaben enthalten über:

(b) Notice of redemption shall be given by the Issuer to the Holders in accordance with § 13 and shall be delivered to the Principal Paying Agent not less than 15 days before and shall at least specify:

- (i) den Wahl-Rückzahlungstag (Call); sowie
- (ii) den Namen und die Geschäftsstelle der Institution, welche durch die Emittentin als Berechnungsstelle ernannt wurde.

- (i) the Call Redemption Date; and
- (ii) name and address of the institution appointed by the Issuer as Calculation Agent.

(c) Die durch eine Globalurkunde verbrieften Schuldverschreibungen werden in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt, und eine etwaige teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als

(c) Notes represented by a global note shall be selected in accordance with the rules of the relevant Clearing System and a possible partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.

Reduzierung des Gesamtnennbetrags wiedergegeben.

§ 6
DIE HAUPTZAHLSTELLE, DIE
ZAHLSTELLE UND DIE
BERECHNUNGSSTELLE

(1) *Bestellung; bezeichnete Geschäftsstelle.* HSBC Bank plc ist die Hauptzahlstelle (die "**Hauptzahlstelle**", und gemeinsam mit etwaigen von der Emittentin nach § 6 Absatz (2) bestellten zusätzlichen Zahlstellen, die "**Zahlstellen**"). Die Geschäftsräume der Hauptzahlstelle und der Berechnungsstelle befinden sich unter der folgenden Adresse:

Hauptzahlstelle:

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

Berechnungsstelle:

eine angesehene Institution mit gutem Ruf auf den Finanzmärkten, durch die Emittentin nur zu dem Zweck ernannt, um den Vorzeitigen Rückzahlungsbetrag (Call) gemäß § 5 Absatz (6) zu berechnen.

Die Zahlstellen und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Hauptzahlstelle oder einer Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und eine andere Hauptzahlstelle oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle und eine Berechnungsstelle unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden. Für die Zwecke dieser Anleihebedingungen bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des

§ 6
THE PRINCIPAL PAYING AGENT, THE
PAYING AGENT AND THE CALCULATION
AGENT

(1) *Appointment; Specified Office.* HSBC Bank plc will be the principal paying agent (the "**Principal Paying Agent**", and together with any additional paying agent appointed by the Issuer in accordance with § 6(2), the "**Paying Agents**"). The address of the specified office of the Principal Paying Agent and the Calculation Agent is:

Principal Paying Agent:

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

Calculation Agent:

a reputable institution of good standing in the financial markets appointed by the Issuer for the purpose of calculating the Early Call Redemption Amount in accordance with § 5(6) only.

The Paying Agents and the Calculation Agent reserve the right at any time to change their specified offices to some other office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent or any Paying Agent or the Calculation Agent and to appoint another Principal Paying Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain a Paying Agent and a Calculation Agent. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13. For the purposes of these Conditions of Issue, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(3) *Erfüllungsgehilfe(n) der Emittentin*. Die Hauptzahlstelle, die Zahlstelle und die Berechnungsstelle handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

§ 7 STEUERN

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Sofern die Emittentin gesetzlich zu einem solchen Abzug oder Einbehalt verpflichtet ist, so wird die Emittentin diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher Zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik

(3) *Agent of the Issuer*. The Principal Paying Agent, the Paying Agent and the Calculation Agent act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

§ 7 TAXATION

All amounts payable in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or on behalf of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. If the Issuer is required by law to make such deduction or withholding, the Issuer will pay such additional amounts (the "**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it, or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are

Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder

(c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(d) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 wirksam wird; oder

(e) von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können.

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

§ 8 VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

secured in, the Federal Republic of Germany, or

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or

(d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 13, whichever occurs later, or

(e) are withheld or deducted by a paying agent from a payment if the payment could have been made by another paying agent without such withholding or deduction.

In any event, the Issuer will not have any obligation to pay Additional Amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA Withholding**") or indemnify any investor in relation to any FATCA Withholding.

§ 8 PRESENTATION PERIOD

The presentation period provided in § 801 paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch, BGB*) is reduced to ten years for the Notes.

§ 9 KÜNDIGUNG

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrer festgelegten Stückelung zuzüglich (etwaiger) bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls:

(a) *Nichtzahlung:* die Emittentin Kapital oder Zinsen auf die Schuldverschreibungen oder sonstige auf die Schuldverschreibungen zahlbaren Beträge nicht jeweils innerhalb von 15 Tagen nach dem betreffenden Fälligkeitsdatum zahlt, sei es bei Fälligkeit, Rückzahlung oder anderen Zeitpunkten; oder

(b) *Verletzung einer sonstigen Verpflichtung:* die Emittentin die ordnungsgemäße Erfüllung einer anderen Verpflichtung aus den Schuldverschreibungen unterlässt und diese Unterlassung länger als 30 Tage fort dauert, nachdem die Hauptzahlstelle hierüber eine Aufforderung, die Verpflichtung zu erfüllen, in der in Absatz (2) dafür vorgesehenen Form von einem Gläubiger erhalten hat; oder

(c) *Drittverzugsklausel:* (i) wenn eine bestehende oder zukünftige Zahlungsverpflichtung der Emittentin im Zusammenhang mit einer Kredit- oder sonstigen Geldaufnahme infolge einer Nichtleistung (unabhängig davon, wie eine solche definiert ist) vorzeitig fällig wird, oder (ii) wenn eine solche Zahlungsverpflichtung bei Fälligkeit oder nach Ablauf einer etwaigen Nachfrist nicht erfüllt wird, oder (iii) wenn die Emittentin einen Betrag, der unter einer bestehenden oder zukünftigen Garantie oder Gewährleistung im Zusammenhang mit einer Kredit- oder sonstigen Geldaufnahme, zur Zahlung fällig wird, bei Fälligkeit oder nach Ablauf einer etwaigen Nachfrist nicht zahlt, vorausgesetzt, dass der Gesamtbetrag der betreffenden Zahlungsverpflichtungen, Garantien oder Gewährleistungen, bezüglich derer eines oder mehrere der in diesem Absatz (c) genannten Ereignisse eintreten, mindestens einem Betrag von 3,00 % des Eigenkapitals des Emittenten, welches zum gegebenen Zeitpunkt in der Bilanz des letzten Jahresabschlusses der adidas AG ausgewiesen wurde, entspricht oder diesen übersteigt und der jeweilige

§ 9 EVENTS OF DEFAULT

(1) *Events of default.* Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at their Specified Denomination plus accrued interest (if any) to the date of repayment, in the event that

(a) *Non-Payment:* the Issuer fails to pay principal or interest in respect of the Notes or any other amount in respect of the Notes, in each case within 15 days from the relevant due date, whether at maturity, upon redemption or otherwise; or

(b) *Breach of other Obligation:* the Issuer fails to duly perform any other obligation arising from the Notes and such failure continues unremedied for more than 30 days after the Principal Paying Agent has received a request thereof in the manner set forth in subparagraph (2) below from a Holder to perform such obligation; or

(c) *Cross-Default:* (i) any present or future payment obligation of the Issuer in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity for reason of the occurrence of a default (howsoever defined), or (ii) any such payment obligation is not met when due or, as the case may be, within an applicable grace period, or (iii) any amounts due under any present or future guarantee or warranty by the Issuer for moneys borrowed or raised are not paid when due or, as the case may be, within an applicable grace period, provided that the relevant aggregate amount of the payment obligation, guarantee or warranty in respect of which one or more of the events mentioned above in this subsection (c) has or have occurred equals or exceeds an amount which corresponds to 3.00 per cent. of the Issuer's equity, as shown from time to time in the balance sheet of the most recent annual financial statements of adidas AG, and such default continues for more than 30 days after the Issuer has received notice thereof from a Holder, such notice being substantially in the form as specified in paragraph (2), provided however, that this

Kündigungsgrund nicht innerhalb von 30 Tagen, nachdem die Emittentin eine diesbezügliche Mitteilung durch den Gläubiger nach Maßgabe von Absatz (2) erhalten hat, behoben wird. Dieser Absatz (c) ist jedoch nicht anwendbar, wenn die Emittentin ihre betreffenden Zahlungsverpflichtungen in gutem Glauben bestreitet; oder

- (d) *Zahlungseinstellung*: die Emittentin ihre Zahlungen einstellt oder schriftlich bekanntgibt, dass sie generell nicht mehr fähig ist, ihren finanziellen Verpflichtungen nachzukommen; oder
- (e) *Einstellung der Geschäftstätigkeit*: die Emittentin direkt oder indirekt ihre Geschäftstätigkeit ganz oder überwiegend einstellt; oder
- (f) *Insolvenz u.ä.*: ein Gericht ein Insolvenzverfahren gegen die Emittentin eröffnet, ein solches Verfahren eingeleitet und nicht innerhalb einer Frist von 60 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin ein solches Verfahren beantragt oder eingeleitet hat; oder
- (g) *Liquidation*: die Emittentin in Liquidation geht, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, einer Konzernbildung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft alle Verpflichtungen aus den Schuldverschreibungen, die sich aus diesen Anleihebedingungen ergeben, übernimmt.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(2) *Benachrichtigung*. Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß Absatz (1) ist mindestens in Textform (§ 126b BGB) gegenüber der Hauptzahlstelle zu erklären und an dessen bezeichnete Geschäftsstelle zusammen mit einem Nachweis durch eine Bescheinigung der Depotbank (wie in § 14 Absatz (3) definiert) oder in einer anderen geeigneten Weise zu übermitteln, dass der Benachrichtigende zum Zeitpunkt der Benachrichtigung ein Gläubiger der betreffenden Schuldverschreibung ist.

paragraph (c) shall not apply, where the Issuer contests its relevant payment obligation in good faith; or

- (d) *Cessation of Payment*: the Issuer ceases its payments or announces in writing its inability to meet its financial obligations generally; or
- (e) *Cessation of Business*: the Issuer ceases to carry out, directly or indirectly, all or substantially all of its business; or
- (f) *Insolvency etc.*: a court opens insolvency proceedings against the Issuer, such proceedings are instituted and have not been discharged or stayed within 60 days, or the Issuer applies for or institutes such proceedings; or
- (g) *Liquidation*: the Issuer enters into liquidation, unless such liquidation is to take place in connection with a merger, consolidation or any other form of combination with another company and such company assumes all obligations under the Notes arising from these Conditions of Issue.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Notice*. Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made at least in text form (§ 126b German Civil Code) to the specified office of the Principal Paying Agent together with a proof that such notifying Holder at the time of such notice is a holder of the relevant Notes by means of a statement of his Custodian (as defined in § 14(3)) or any other appropriate manner.

**§ 10
ERSETZUNG**

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt ohne Zustimmung der Gläubiger jedes andere Unternehmen, das direkt oder indirekt von ihr kontrolliert wird an ihrer Stelle als neue Emittentin (die "**Neue Emittentin**") für alle Verpflichtungen aus und im Zusammenhang mit diesen Schuldverschreibungen mit schuldbefreiender Wirkung einzusetzen, vorausgesetzt, dass:

- (a) die Neue Emittentin alle Verpflichtungen der Emittentin aus und im Zusammenhang mit den Schuldverschreibungen übernimmt und, wenn die Zustellung des Verfahrens gegenüber der Neuen Emittentin außerhalb der Bundesrepublik Deutschland zu erfolgen hat, einen Zustellungsbevollmächtigten innerhalb der Bundesrepublik Deutschland benennt;
- (b) die Emittentin und die Neue Emittentin alle erforderlichen Genehmigungen und Zustimmungen für die Ersetzung und die Erfüllung der Verpflichtungen aus und im Zusammenhang mit den Schuldverschreibungen erhalten haben;
- (c) die Neue Emittentin in der Lage ist, an das Clearing System oder die Hauptzahlstelle in Euro und ohne Abzug etwaiger Steuern oder anderer Abgaben jeglicher Art, die von dem Land (oder den Ländern) in dem (denen) die Neue Emittentin ihren Sitz oder Steuersitz hat auferlegt, erhoben oder abgezogen werden, alle Beträge zu zahlen, die für die Erfüllung der Verpflichtungen aus und im Zusammenhang mit den Schuldverschreibungen erforderlich sind; und;
- (d) die Emittentin unbedingt und unwiderruflich die Verbindlichkeiten der Neuen Emittentin unter den Schuldverschreibungen zu Bedingungen garantiert, die sicherstellen, dass jeder Gläubiger wirtschaftlich so gestellt wird, wie er ohne die Ersetzung stehen würde;

(2) *Bekanntmachung.* Jede Ersetzung ist gemäß § 13 bekannt zu machen.

(3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt:

**§ 10
SUBSTITUTION**

(1) *Substitution.* The Issuer may at any time, without the consent of the Holders, substitute for the Issuer any other company which is directly or indirectly controlled by the Issuer, as new issuer (the "**New Issuer**") in respect of all obligations arising under or in connection with the Notes with the effect of releasing the Issuer of all such obligations, if:

- (a) the New Issuer assumes any and all obligations of the Issuer arising under or in connection with the Notes and, if service of process vis-à-vis the New Issuer would have to be effected outside the Federal Republic of Germany, appoints a process agent within the Federal Republic of Germany;
- (b) the Issuer and the New Issuer have obtained all authorisations and approvals necessary for the substitution and the fulfilment of the obligations arising under or in connection with the Notes;
- (c) the New Issuer is in the position to pay to the Clearing System or to the Principal Paying Agent in Euro and without deducting or withholding any taxes or other duties of whatever nature imposed, levied or deducted by the country (or countries) in which the New Issuer has its domicile or tax residence all amounts required for the performance of the payment obligations arising from or in connection with the Notes; and;
- (d) the Issuer irrevocably and unconditionally guarantees such obligations of the New Issuer under the Notes on terms which ensure that each Holder will be put in an economic position that is as favourable as that which would have existed if the substitution had not taken place.

(2) *Notice.* Notice of any such substitution shall be published in accordance with § 13.

(3) *Change of References.* In the event of any such substitution:

(i) jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin gilt als Bezugnahme auf die Neue Emittentin, es sei denn, der Sinn und Zweck der betreffenden Regelung erfordert, dass ein derartiger Verweis (x) ein Verweis auf die adidas AG bleibt, oder (y) ein Verweis auf die adidas AG und die Neue Emittentin bleibt; und

(ii) jede Bezugnahme in diesen Anleihebedingungen auf die Bundesrepublik Deutschland gilt als Bezugnahme auf das Land, in dem die Neue Emittentin ihren Sitz oder Steuersitz hat, es sei denn, der obenstehende Unterabsatz (3)(i) bestimmt etwas anderes.

In § 7 und § 5 Absatz (2) gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Neue Emittentin ihren Sitz oder Steuersitz hat) und in § 9 Absatz (1)(c) bis (f) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Neue Emittentin) und ein weiterer Kündigungsgrund soll als aufgenommen gelten, der dann eintritt, wenn die Garantie aus irgendeinem Grund nicht mehr gilt.

Zum Zwecke der Feststellung eines Kontrollwechsels in § 5 Absatz (3) gilt eine alternative Bezugnahme auf die adidas AG in ihrer Eigenschaft als Garantin als aufgenommen, zusätzlich zu der Bezugnahme auf die Neue Emittentin.

§ 11 BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN UND ANKAUF

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen im Markt oder

(i) any reference in these Conditions of Issue to the Issuer shall be a reference to the New Issuer unless the meaning and purpose of the relevant condition requires such reference to remain (x) a reference to adidas AG or (y) a reference to adidas AG and the New Issuer; and

(ii) any reference in these Conditions of Issue to the Federal Republic of Germany shall be a reference to the New Issuer's country of domicile for tax purposes, unless subparagraph (3)(i) above provides otherwise.

In § 7 and § 5(2) an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the New Issuer and in § 9(1)(c) to (f) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included (in addition to the reference to the New Issuer) and a further event of default shall be deemed to have been included; such event of default shall exist in the case that the guarantee is or becomes invalid for any reasons.

For the purpose of the determination of a Change of Control in § 5(3), an alternative reference to adidas AG in its capacity as guarantor shall be deemed to have been included in addition to the reference to the New Issuer.

§ 11 FURTHER ISSUES AND PURCHASES

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or

anderweitig zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Hauptzahlstelle zwecks Entwertung eingereicht werden.

§ 12 ÄNDERUNG DER ANLEIHEBEDINGUNGEN, GEMEINSAMER VERTRETER

(1) *Änderung der Anleihebedingungen.* Die Emittentin kann die Anleihebedingungen mit Zustimmung eines Mehrheitsbeschlusses der Gläubiger gemäß § 5 ff. SchVG ändern. Ohne Zustimmung der Emittentin ist eine Änderung der Anleihebedingungen nicht möglich. Insbesondere können die Gläubiger durch Beschlüsse mit den in untenstehendem Absatz (2) bestimmten Mehrheitserfordernissen Änderungen zustimmen, die den Inhalt der Anleihebedingungen wesentlich verändern, einschließlich der in § 5 Absatz (3) SchVG vorgesehenen Maßnahmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger verbindlich.

"SchVG" bezeichnet das Gesetz über Schuldverschreibungen aus Gesamtemissionen in der jeweils geänderten bzw. geltenden Fassung und alle Verweise in diesen Anleihebedingungen auf entsprechende Paragraphen des SchVG schließen insoweit auch Verweise auf alle anwendbaren gesetzlichen Bestimmungen ein, die diese Bestimmungen jeweils ändern bzw. ersetzen.

(2) *Mehrheitserfordernisse.* Mit Ausnahme der Bestimmungen des folgenden Satzes und unter der Voraussetzung, dass die Anforderungen an die Beschlussfähigkeit erfüllt sind, können die Gläubiger Beschlüsse mit einfacher Mehrheit der abstimmenden Stimmrechte fassen. Beschlüsse, die den Inhalt der Anleihebedingungen wesentlich verändern, insbesondere in den Fällen das § 5 Absatz (3) Nr. 1 bis 9 SchVG, oder die sich auf wesentliche andere Punkte beziehen, können nur mit einer Mehrheit von mindestens 75 % der abstimmenden Stimmrechte ("**Qualifizierte Mehrheit**") gefasst werden.

(3) *Beschlüsse der Gläubiger.* Die Gläubiger können Beschlüsse in einer Gläubigerversammlung gemäß § 5 ff. SchVG fassen, oder durch eine Abstimmung ohne Versammlung gemäß § 18 und § 5 ff. SchVG.

otherwise. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Principal Paying Agent for cancellation.

§ 12 AMENDMENT OF THE CONDITIONS OF ISSUE, HOLDERS' REPRESENTATIVE

(1) *Amendment of the Conditions of Issue.* The Issuer may amend the Conditions of Issue with the consent of a majority resolution of the Holders pursuant to §§ 5 et seqq. of the SchVG. There will be no amendment of the Conditions of Issue without the Issuer's consent. In particular, the Holders may consent to amendments which materially change the substance of the Conditions of Issue, including such measures as provided for under § 5 paragraph 3 SchVG, by resolutions passed by such majority of the votes of the Holders as stated under subparagraph (2) below. A duly passed majority resolution shall be binding upon all Holders.

"SchVG" means the German Debt Securities Act (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – SchVG), as amended or replaced from time to time, and any references in these Conditions of Issue to relevant paragraphs of the SchVG include references to any applicable provisions of law amending or replacing such provisions from time to time.

(2) *Majority.* Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Conditions of Issue, in particular in the cases of § 5 paragraph 3 numbers 1 through 9 SchVG, or relating to material other matters, may only be passed by a majority of at least 75 per cent. of the voting rights participating in the vote (a "**Qualified Majority**").

(3) *Resolution of Holders.* The Holders can pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with § 5 et seqq. SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 and § 5 et seqq. SchVG.

(4) *Teilnahme.* Die Teilnahme an der Gläubigerversammlung und die Ausübung von Stimmrechten erfordert eine Anmeldung der Gläubiger. Die Anmeldung muss spätestens am dritten Tag vor der Gläubigerversammlung bei der in der Einberufung angegebenen Adresse eingehen. Im Rahmen der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch eine besondere Bestätigung der Depotbank gemäß § 14 Absatz (4) in Textform oder Schriftform sowie durch Vorlage eines Sperrvermerks der Depotbank nachweisen, aus dem hervorgeht, dass die entsprechenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung bis einschließlich des angegebenen Endes der Versammlung nicht übertragbar sind.

(5) *Stimmrecht.* Gemeinsam mit der Stimmabgabe müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch eine besondere Bestätigung der Depotbank gemäß § 14 Absatz (4) in Textform oder Schriftform sowie durch Vorlage eines Sperrvermerks der Depotbank nachweisen, aus dem hervorgeht, dass die entsprechenden Schuldverschreibungen ab dem Tag der Stimmabgabe bis einschließlich des Ablaufs der Abstimmungsfrist nicht übertragbar sind.

Sofern festgestellt wurde, dass die Beschlussfähigkeit der Gläubigerversammlung gemäß des vorstehenden Absatzes (4) oder die Abstimmung ohne Versammlung gemäß dieses Absatzes (5) nicht gegeben ist, kann im Fall einer Gläubigerversammlung der Vorsitzende eine zweite Versammlung zum Zweck der erneuten Beschlussfassung gemäß § 15 Absatz (3) Satz 2 SchVG einberufen, oder der Abstimmungsleiter kann im Falle einer Abstimmung ohne Versammlung eine zweite Versammlung gemäß § 15 Absatz (3) Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung des Stimmrechts erfordern eine vorherige Anmeldung der Gläubiger. Bezüglich der Anmeldung der Gläubiger zu einer zweiten Versammlung gelten die Bestimmungen des Absatzes (4) Satz 3 entsprechend.

(6) *Gemeinsamer Vertreter.* Die Gläubiger können durch Mehrheitsbeschluss die Bestellung oder Abberufung eines gemeinsamen Vertreters (der "**Gemeinsame Vertreter**"), die Aufgaben sowie Rechte und Pflichten des Gemeinsamen Vertreters, die Übertragung der Rechte durch die Gläubiger

(4) *Attendance.* Attendance at the meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(4) in text format or in written form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

(5) *Voting rights.* Together with casting their votes Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(4) in text format or in written form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such votes have been cast until and including the day the voting period ends.

If it is ascertained that no quorum exists for the meeting pursuant to subparagraph (4) above or the vote without a meeting pursuant to this subparagraph (5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with § 15 paragraph 3 sentence 2 SchVG or in case of a vote without a meeting the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of § 15 paragraph 3 sentence 3 SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The provisions set out in subparagraph (4) sentence 3 above shall apply *mutatis mutandis* to the Bondholders' registration for a second meeting.

(6) *Holder's Representative.* The Holders may by majority resolution provide for the appointment or dismissal of a joint representative (the "**Joint Representative**"), the duties and responsibilities and the powers of such Joint Representative, the transfer of the rights of the Holders to the Joint Representative

auf den Gemeinsamen Vertreter und eine Haftungsbeschränkung des Gemeinsamen Vertreters bestimmen. Sofern der Gemeinsame Vertreter die Befugnis erlangen soll, einer wesentlichen Änderung des Inhalts der Anleihebedingungen gemäß des obenstehenden Absatzes (2) zuzustimmen, kann die Bestellung des Gemeinsamen Vertreters nur durch Qualifizierte Mehrheit erfolgen.

(7) *Garantie*. Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen einer etwaigen Garantie gemäß § 10 Absatz (1)(d).

Alle diesen § 12 betreffenden Mitteilungen haben ausschließlich nach den Bestimmungen des SchVG zu erfolgen.

§ 13 MITTEILUNGEN

(1) *Bekanntmachung*. Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Internetseite der Luxemburger Börse (www.bourse.lu). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System*. Solange Schuldverschreibungen an der *official list* der Luxemburger Börse notiert sind, findet Absatz (1) Anwendung. Soweit die Mitteilung den Zinssatz betrifft oder die Regeln der Luxemburger Börse dies sonst zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.

(3) *Form der Mitteilung*. Mitteilungen, die von einem Gläubiger gemacht werden, müssen in Textform (z.B. Email oder Fax) oder schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 14 Absatz (3) an die Hauptzahlstelle geschickt werden. Eine solche Mitteilung kann über das Clearing System in der von der Hauptzahlstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

and a limitation of liability of the Joint Representative. Appointment of a Joint Representative may only be passed by a Qualified Majority if such Joint Representative is to be authorised to consent, in accordance with subparagraph (2) above, to a material change in the substance of the Conditions of Issue.

(7) *Guarantee*. The provisions set out above applicable to the Notes will apply *mutatis mutandis* to any guarantee granted pursuant to § 10(1)(d).

All notices concerning this § 12 shall be made exclusively pursuant to the provisions of the SchVG.

§ 13 NOTICES

(1) *Publication*. All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice so given will be deemed to have been validly given on the third day following the date of such publication.

(2) *Notification to Clearing System*. So long as any Notes are listed on the official list of the Luxembourg Stock Exchange, subparagraph (1) shall apply. In the case of notices regarding the Rate of Interest or, if the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.

(3) *Form of Notice*. Notices to be given by any Holder shall be made by means of a declaration in text format (*Textform*, e.g. email or fax) or in written form sent together with an evidence of the Holder's entitlement in accordance with § 14(3) to the Principal Paying Agent. Such notice may be given through the Clearing System in such manner as the Principal Paying Agent and the Clearing System may approve for such purpose.

§ 14
ANWENDBARES RECHT,
GERICHTSSTAND UND GERICHTLICHE
GELTENDMACHUNG

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

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**") ist das Landgericht Frankfurt am Main.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems.

§ 14
APPLICABLE LAW, PLACE OF
JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Submission to Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main shall have non-exclusive jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Notes.

(3) *Enforcement.* Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

(4) *Nachweis der Berechtigung zur Teilnahme an der Gläubigerversammlung.* Die Einberufung einer Gläubigerversammlung gemäß § 12 kann vorsehen, wie die Berechtigung zur Teilnahme daran nachzuweisen ist. Sofern die Einberufung nichts anderes bestimmt, berechtigt ein von einem durch die Emittentin zu ernennenden Beauftragten ausgestellter Stimmzettel seinen Inhaber zur Teilnahme an und zur Stimmabgabe in der Gläubigerversammlung. Der Stimmzettel kann vom Gläubiger bezogen werden, indem er mindestens sechs Tage vor dem für die Gläubigerversammlung bestimmten Datum

(a) seine Schuldverschreibungen bei einem durch die Emittentin zu ernennenden Beauftragten oder gemäß einer Weisung dieses Beauftragten bei einer von dem Beauftragten benannten Depotbank oder anderen Verwahrer für die Zwecke der Teilnahme an und Stimmabgabe in der Gläubigerversammlung hinterlegt hat oder

(b) seine Schuldverschreibungen bei einer Depotbank in Übereinstimmung mit deren Verfahrensregeln gesperrt sowie einen Nachweis über die Inhaberschaft und Sperrung der Schuldverschreibungen an den Beauftragten der Emittentin geliefert hat.

Der Stimmzettel ist zu datieren und muss die betreffende Gläubigerversammlung bezeichnen sowie den ausstehenden Nennbetrag und etwaige Seriennummern der Schuldverschreibungen, die entweder hinterlegt oder bei einer Depotbank gesperrt sind, angeben. Die Einberufung kann auch die Erbringung eines Identitätsnachweises der ein Stimmrecht ausübenden Person vorsehen. Hat der jeweilige Beauftragte der Emittentin einen Stimmzettel für eine Schuldverschreibung ausgegeben, dürfen die Schuldverschreibungen solange nicht freigegeben bzw. deren Übertragung zugelassen werden, bis entweder die Gläubigerversammlung beendet oder der jeweiligen Beauftragten der Stimmzettel zurückgegeben worden ist.

(4) *Proof for taking part in the Holders' Meeting.* The convening notice of a Holders' meeting pursuant to § 12 shall provide what proof is required to be entitled to take part in the Holders' meeting. Unless otherwise provided in the convening notice, a voting certificate obtained from an agent to be appointed by the Issuer shall entitle its bearer to attend and vote at the Holders' meeting. A voting certificate may be obtained by a Holder if at least six days before the date fixed for the Holders' meeting, such Holder

(a) deposits its Notes for such purpose with an agent to be appointed by the Issuer or to the order of such agent with a Custodian or other depository nominated by such agent for such purpose or

(b) blocks its Notes in an account with a Custodian in accordance with the procedures of the Custodian and delivers a confirmation stating the ownership and blocking of its Notes to the agent of the Issuer.

The voting certificate shall be dated and shall specify the Holders' meeting concerned and the total number, the outstanding principal amount and the serial numbers (if any) of the Notes either deposited or blocked in an account with the Custodian. The convening notice may also require a proof of identity of a person exercising a voting right. Once the relevant agent of the Issuer has issued a voting certificate for a Holders' meeting in respect of a Note, the Notes shall neither be released nor permitted to be transferred until either such Holders' meeting has been concluded or the voting certificate has been surrendered to the relevant agent of the Issuer.

**§ 15
SPRACHE**

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

**§ 15
LANGUAGE**

These Conditions of Issue are written in the German language. The German text shall be controlling and binding. The English language translation is provided for convenience only.

ADIDAS AG AS ISSUER

General Information

adidas AG is a stock corporation (*Aktiengesellschaft*) incorporated and operating under the laws of Germany and registered in the commercial register of the local court (*Amtsgericht*) of Fürth under HRB 3868. Its commercial name is "adidas". The Issuer's address and registered office is at Adi-Dassler-Strasse 1, 91074 Herzogenaurach, Germany. The telephone number of its registered office is +49-(0)9132-84-0. adidas AG is the parent company of adidas Group. The shares of adidas AG are listed on all German stock exchanges. 100 per cent. of the shares of the Issuer are free-float.

The Legal Entity Identifier (LEI) of adidas AG is 549300JSX0Z4CW0V5023. The website of adidas is www.adidas-group.com. The information on this website does not form part of the Prospectus and has not been scrutinised or approved by the CSSF.

Formation

adidas AG was established for an unlimited period of time on April 18, 1989 under the name of adidas Aktiengesellschaft (Stock Corporation) by transformation of the previous Adi Dassler Beteiligungsgesellschaft mit beschränkter Haftung (company with limited liability) and a subsequent merger with adidas Sportschuhfabriken Adi Dassler Stiftung & Co. KG on May 23, 1989. On May 23, 1989, it was renamed adidas AG. After the acquisition of the Salomon Group it was renamed adidas-Salomon AG on December 19, 1997. Since May 29, 2006, the company's name is adidas AG.

Fiscal Year

The fiscal year of the Issuer is identical with the calendar year.

Purpose of the Issuer

Pursuant to § 2 of its Articles of Association, the purpose of the Issuer is the development, production and distribution of apparel, footwear, equipment and other products as well as of IT-based applications and products and the rendering of services in the areas of sports and leisure as well as adjoining fields.

adidas AG may also restrict its respective activities to part of the activities specified in the previous paragraph. It may also pursue the purpose of the company pursuant to the previous paragraph, either completely or partially, through affiliated companies within the meaning of §§ 15 et seq. German Stock Corporation Act (*Aktiengesetz – AktG*).

adidas AG is entitled to all measures and business transactions which are appropriate to directly or indirectly promote the purpose of the company pursuant to the previous paragraph. This also includes the establishment of branches in Germany and abroad. Furthermore, the company may, in particular, establish, acquire or sell other companies of the same or a similar type or directly or indirectly establish participations in such companies and financial participations and assume the management or may restrict itself to the administration of the holdings.

Auditors

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, Germany, which is a member of the Chamber of Public Accountants (*Wirtschaftsprüferkammer*), has audited the consolidated financial statements of adidas AG as at December 31, 2018 and 2019 and for each of the years then ended and rendered an unqualified report in each case.

Business

Overview

adidas AG, a listed German stock corporation and parent of the adidas Group, and its subsidiaries design, develop, produce and market a broad range of athletic and sports lifestyle products. Its product range covers sports footwear and apparel as well as sports hardware and accessories. According to latest annual revenue figures disclosed by industry participants, adidas is the world's second-largest sporting goods company and enjoys a diverse and widespread global presence.

As at December 31, 2019 adidas employed more than 59,000 people of which 7,703 were employed at adidas AG and had 125 subsidiaries worldwide. The company has divided its operating activities into the following operating segments: Europe, North America adidas, North America Reebok, Asia-Pacific, Russia/CIS, Latin America, Emerging Markets, adidas Golf, Runtastic and Other centrally managed businesses. While the operating segments Europe, Asia-Pacific, Russia/CIS, Latin America and Emerging Markets are reported separately, North America adidas and North America Reebok are combined to the reportable segment North America. The remaining operating segments, namely adidas Golf, Runtastic and Other centrally managed businesses, are aggregated under Other Businesses due to their only subordinate materiality.

adidas net sales for the fiscal year 2019 amounted to € 23.640 billion and were divided across the geographical reportable segments as follows: Europe 26 per cent., North America 22 per cent., Asia-Pacific 34 per cent., Russia/CIS 3 per cent., Latin America 7 per cent. and Emerging Markets 6 per cent.

Each reportable segment comprises all wholesale, retail and e-commerce business activities relating to the distribution and sale of products of the adidas and Reebok brands to retail customers and end consumers. adidas and Reebok branded products include performance and lifestyle footwear, apparel and hardware such as bags and balls. The adidas brand generated 91 per cent. of the company's net sales in 2019 while Reebok accounted for 7 per cent.

- With net sales of € 21.505 billion in 2019, the adidas brand is the main contributor to the company's revenues. The adidas brand has a long history and deep-rooted connection with sport. Its broad and diverse sports portfolio, from major global sports such as football and running, to regional heartbeat sports such as American football and rugby, has enabled the brand to become one of the most recognized and iconic global brands, on and off the field of play. The adidas brand's mission is to be the best sports brand in the world, by designing, building and selling the best sports products in the world, with the best service and experience, in a sustainable way.
- With net sales of € 1.748 billion in 2019, Reebok is an American-inspired global brand with a deep fitness heritage and the mission to be the best fitness brand in the world. To realize this mission, Reebok has gone through a transformation from traditional sports to a focus on the sport of fitness. On this journey, Reebok merges its past with new technologies in both performance and lifestyle products.

With more than 2,500 own-retail stores, more than 15,000 mono-branded franchise stores and more than 150,000 wholesale doors stocking its products, the company has a holistic global distribution network in place. In addition, the company distributes its products through its own e-commerce channel, the single biggest store available to consumers in over 40 countries around the globe.

The wholesale channel, which comprises all business activities relating to the distribution of adidas and Reebok products to physical as well as online retail customers, accounted for 67% of the company's net sales in 2019. The direct-to-consumer channel, which comprises all business activities relating to the sale of adidas and Reebok products directly to end consumers through own retail and own e-commerce platforms, accounted for 33% of the company's net sales in 2019. The own e-commerce platform was again the company's fastest-growing channel in 2019 with a currency-neutral revenue increase of 34%, providing consumers with a premium, connected and personalized shopping experience.

The vast majority of adidas' products are produced by independent manufacturers based on the design and technical specifications provided by the company. Only a minimum of products is manufactured or assembled by the company itself. By means of outsourcing production, adidas focuses on its core competence in developing and designing innovative products and consumer experiences. In addition to in-house research and development, the company also has a number of strategic partnerships and creative collaborations in place.

Brand desirability is vital to adidas' commercial success. Therefore, the company invests considerable resources into marketing and point-of-sale expenses, consisting of promotion and communication spending such as promotion contracts, advertising, events and other communication activities. In 2019, the company spent 12.9 per cent. of sales or € 3.042 billion on marketing and point-of-sale expenses.

Strategy

adidas strives to be the best sports company in the world. The ambition to grow revenues and profits through driving brand desirability builds the core of 'Creating the New', the company's strategic business plan for the period 2015-2020. This consumer-centric approach has resulted in significant improvements in the desirability of the company's brands and has increased relevance with consumers around the globe as measured by Net Promoter Score, a metric employed by adidas in order to track brand momentum in an objective manner. As a result, the company has gained market share in those categories, markets and cities that have been identified as growth drivers for the company.

The strategic business plan 'Creating the New', which was first presented in March 2015, is built around three strategic choices:

Speed

Driving brand desirability involves ensuring that consumers always find products where and when they want them and with a premium brand experience. This, in turn, means being able to anticipate what consumers want and reacting accordingly in a timely manner. In order to evolve those speed capabilities, the company has evolved its entire business model end-to-end, from range planning to product creation, sourcing, supply chain, go-to-market and sales. The benefits of speed include higher product availability, reduced inventory risk, incremental net sales and higher margins.

Cities

Most of the global population lives in cities and already today cities account for around 80% of global Gross Domestic Product (GDP). Cities are shaping global trends and consumers' perception, perspectives and buying decisions. To be successful in the future, adidas therefore needs to win the consumer in the world's most influential cities. The company has identified six global megacities in which it invests over-proportionally in order to grow awareness and win market share: London, Los Angeles, New York, Paris, Shanghai and Tokyo.

Open Source

Open Source is a collaboration-based innovation model that aims to build brand advocacy by opening up the brand to third parties, including athletes, artists and organizations, in order to co-create the future of sport. adidas provides access for external parties to tools and resources, thereby acquiring and nurturing creative capital, which allows the company to create value for consumers.

In March 2017, the company introduced four additional initiatives to foster brand momentum and accelerate growth:

Portfolio

After the completion of the sale of the TaylorMade, Adams Golf and Ashworth brands as well as the CCM Hockey business in 2017, adidas is now operating with a narrowed focus on its core strength areas of athletic footwear and apparel. This allows the company to reduce complexity and pursue its target consumer more aggressively with both the adidas and the Reebok brand.

adidas North America

From a geographical perspective, North America represents the biggest opportunity for the adidas brand, given its relatively small market share there compared to other regions. To improve the adidas brand's overall positioning in the region, North America was made a strategic priority and investments into this market increased significantly in order to be more relevant to the consumer.

ONE adidas

ONE adidas encompasses a set of initiatives that will enable the company to work more efficiently and in a more aligned way. In order to create a more scalable business model, adidas focuses on opportunities related to operating and marketing efficiency, which involve the standardization and harmonization of processes and procedures.

Digital

The digital transformation is fundamentally changing the way consumers behave and the way adidas works. Technology has enabled the company to accelerate building direct relationships with its consumers, through digital campaigns as well as its e-commerce platform and its adidas app. Improving

digital capabilities along the entire value chain enables the company not only to interact better with its consumers, but also to become faster, better and more efficient in every part of the organization.

Sustainability

Due to the increasingly endangered environment resulting from man-made issues, including human rights violations, pollution, growing energy consumption and waste, adidas is committed to sustainability and aspires to create lasting change in the industry through eco-innovation, eco-activation, and by scaling its actions to end plastic waste. adidas has a long history of integrating sustainability into its business model. Recently, adidas has implemented a "Three Loop Strategy": Recycled Loop – products created using recycled materials; Circular Loop – products designed to have multiple lifecycles; Biodegradable Loop – products created using natural materials. These measures will contribute to the company's ultimate goal of climate neutrality in all of its activities as well as its supply chain by 2050.

Competition

The sporting goods industry is characterized by intense competition around the globe. It is subject to rapid changes in consumer preferences, changes in the popularity of different types of sports, changing design trends, technological innovations and changes in general consumer spending behavior. Competition focuses primarily on design, functionality, price, quality, brand image and delivery performance.

adidas competes internationally with an increasing number of companies operating in the sectors of sport, street and fashion and leisure footwear, sports and leisure apparel as well as accessories. On a global level, adidas competes with a number of competitors including Nike, Puma and Under Armour, offering an extensive product portfolio covering leisure and sports footwear, leisure and sports apparel, as well as accessories. In addition, adidas also faces numerous niche competitors, mainly focusing on specific sports categories or geographical areas. Other competitors of adidas therefore include sports companies such as Anta, Asics, Li Ning, Lululemon, Mizuno, New Balance, On Running and VF Corporation as well as leisure and luxury companies such as H&M, Inditex, Kering, LVMH, Uniqlo and others.

Organizational Structure

The adidas Group is comprised of adidas AG and all its direct and indirect subsidiaries. An entity is considered a subsidiary if it is controlled by adidas AG. Control exists when adidas is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. As at December 31, 2019, adidas AG had 125 consolidated subsidiaries. The subsidiaries are held either directly by adidas AG or indirectly via the two holding companies adidas Beteiligungsgesellschaft mbH in Germany or adidas International B.V. in the Netherlands.

Investments

In 2019, adidas' investments in tangible and intangible assets amounted to around € 700 million. Controlled space initiatives, which comprise investments in new or remodeled own-retail and franchise stores as well as in shop-in-shop presentations in customers' stores, accounted for 47% of total capital expenditure. Expenditure for IT and logistics represented 13% and 6%, respectively. In addition, expenditure for administration accounted for 7%. Other investments mainly reflected the further development of adidas' major corporate facilities in Herzogenaurach, Portland and Shanghai. These represented 26% of total capital expenditure in 2019.

Capital expenditures investments in 2020 are expected to also be mainly focused on controlled space initiatives in both physical retail and e-commerce, the company's IT and logistics infrastructure as well as the further development of state-of-the-art corporate facilities in Herzogenaurach and Portland.

Legal and Arbitration Proceedings

adidas AG and its subsidiaries are and have been frequent parties to litigation in the ordinary course of business, mainly in connection with distribution agreements as well as intellectual property rights. The risks regarding these lawsuits are covered by provisions when a reliable estimate of the amount of the obligation can be made. There are currently and have been in the past twelve months no

governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which have had or which the Group believes could have in the future a substantial impact on the financial position or profitability of adidas Group.

Management and Administrative Bodies

Executive Board

The members of the Executive Board, which currently consists of five members, are appointed by the Supervisory Board. Pursuant to adidas's Articles of Association, the Executive Board must consist of at least two members. The Supervisory Board is authorized to increase the number of members of the Executive Board. The maximum term of office of the members of the Executive Board is five years. Re-appointment for or extension of their term of office of up to another five years is permitted. The Supervisory Board may remove members of the Executive Board prior to the expiration of their term for good cause. Such cause is deemed to exist, in particular, in the event of gross negligence in the discharge of their duties, the inability to properly perform management duties, or withdrawal of confidence by the Annual General Meeting.

The Executive Board manages the business of the Group. The Issuer is represented by two members of the Executive Board or one member of the Executive Board acting jointly with a holder of statutory powers of attorney (*Prokurist*). A member of the Executive Board cannot represent the Issuer in connection with the conclusion of agreements between him- or herself and the Issuer. The Executive Board must report regularly to the Supervisory Board on the proposed corporate policy and other major strategic issues of future group management, profitability (especially the return on equity), the progress of business (in particular turnover), and the general condition of adidas Group, as well as on transactions that could have a significant effect on the Issuer's profitability or liquidity. The Executive Board also reports to the Chairman of the Supervisory Board on any other matters of importance. The Supervisory Board adopted Rules of Procedure pursuant to which certain transactions with a threshold determined for each transaction require the approval of the Supervisory Board.

The current members of the Issuer's Executive Board are as follows:

Name	Responsibility	Other positions outside the Issuer
Kasper Rorsted	Chairman and Chief Executive Officer	Member of the Board of Directors, Nestlé S.A., Vevey, Switzerland
Roland Auschel	Global Sales	None
Brian Grevy	Global Brands	Member of the Board of Directors, Pitzner Gruppen Holding A/S, Copenhagen, Denmark
Harm Ohlmeyer	Chief Financial Officer	None
Martin Shankland	Global Operations	None

The business address of the members of the Executive Board is the same as that of the Issuer.

No conflicts of interests between the private interests of the members of the Executive Board and their duties *vis-à-vis* the Issuer and/or other duties have been reported to the Supervisory Board, to whom they have to be reported according to the Rules of Procedure of the Executive Board.

Supervisory Board

The Supervisory Board of the Issuer consists of sixteen members, of which eight members are appointed by the employees pursuant to the German Co-determination Act of 1976 and eight members are elected by the shareholders in the Annual General Meeting pursuant to the provisions of the German Stock Corporation Act. Members of the Supervisory Board may not be elected for a period extending beyond the end of the Annual General Meeting which discharges the members of the Supervisory Board from their responsibilities for the fourth fiscal year following the year in which such members took office, not including the fiscal year during which the term of office began. Re-election is permitted. The members of the Supervisory Board elect a Chairman and, pursuant to the Articles of Association, two Deputy Chairmen from amongst themselves. The

Chairman of the Supervisory Board convenes and chairs meetings of the Supervisory Board. Unless otherwise provided for by law, the Supervisory Board makes decisions by a simple majority of the votes cast.

As at the date of this Prospectus, the names, the year of their appointment and the principal occupations of the present members of adidas's Supervisory Board are as follows:

Name	Member since	Main profession / other positions
Thomas Rabe, Chairman	2019	<ul style="list-style-type: none"> - Chairman and Chief Executive Officer, Bertelsmann Management SE, Gütersloh, Germany - Chief Executive Officer, RTL Group S.A., Luxembourg, Luxembourg <p>Mandates held in foreign subsidiaries of Bertelsmann SE & Co. KGaA: Member of the Supervisory Board, Majorel Group Luxembourg S.A., Luxembourg, Luxembourg</p>
Ian Gallienne, Deputy Chairman	2016	<ul style="list-style-type: none"> - Chief Executive Officer, Groupe Bruxelles Lambert, Brussels, Belgium - Member of the Board of Directors, Pernod Ricard SA, Paris, France - Member of the Board of Directors, SGS SA, Geneva, Switzerland <p>Mandates within the Groupe Bruxelles Lambert or in entities under common control with the Groupe Bruxelles Lambert:</p> <ul style="list-style-type: none"> - Member of the Board of Directors, Imerys SA, Paris, France - Member of the Board of Directors, Sienna Capital S.à r.l., Strassen, Luxembourg - Member of the Board of Directors, Compagnie Nationale à Portefeuille SA, Loverval, Belgium - Member of the Board of Directors, Frère-Bourgeois SA, Loverval, Belgium - Member of the Board of Directors, Château Cheval Blanc, Société Civile, Saint Emilion, France - Member of the Board of Directors, GBL Advisors Ltd., London, United Kingdom - Member of the Board of Directors, GBL Development Ltd., London, United Kingdom - Member of the Supervisory Board, Marnix French ParentCo SAS (Webhelp Group), Paris, France
Udo Müller, Deputy Chairman (employee representative)	2016	Director Communication, adidas AG, Herzogenaurach, Germany
Petra Auerbacher (employee representative)	2019	Project Manager Creative Direction, adidas AG, Herzogenaurach, Germany

Roswitha Hermann (employee representative)	2019	Director Projects, adidas AG, Herzogenaurach, Germany
Herbert Kauffmann	2009	Independent Management Consultant, Stuttgart, Germany
Christian Klein	2020	CEO SAP SE, Walldorf, Germany
Kathrin Menges	2014	Self-employed entrepreneur, Großenbrode, Germany
Roland Nosko (employee representative)	2004	<ul style="list-style-type: none"> - District Manager of the Industrial Union IG Bergbau, Chemie, Energie (IG BCE), District of Nuremberg, Nuremberg, Germany - Deputy Chairman of the Supervisory Board, CeramTec GmbH, Plochingen, Germany - Member of the Supervisory Board, Plastic Omnium Automotive Exteriors GmbH, Munich, Germany
Beate Rohrig (employee representative)	2019	<ul style="list-style-type: none"> - State District Manager of the Industrial Union IG Bergbau, Chemie, Energie (IG BCE), State District Bavaria, Munich, Germany - Member of the Supervisory Board, Wacker Chemie AG, Munich, Germany
Nassef Sawiris	2016	Chief Executive Officer and Member of the Board of Directors, OCI N.V., Amsterdam, The Netherlands
Frank Scheiderer (employee representative)	2019	Director Head Office – Brand & Sales Finance, adidas AG, Herzogenaurach, Germany
Michael Storl (employee representative)	2019	Deputy Chairman of the Works Council Herzogenaurach, adidas AG, Herzogenaurach, Germany
Bodo Uebber	2019	<ul style="list-style-type: none"> - Independent Management Consultant, Munich Germany - Member of the Supervisory Board, Bertelsmann SE & Co. KGaA / Bertelsmann Management SE, Gütersloh, Germany - Chairman of the Supervisory Board, Evercore GmbH, Frankfurt/Main, Germany
Jing Ulrich	2019	Vice Chairman of Global Banking and Asia Pacific, JPMorgan Chase & Co., New York, USA
Günter Weigl (employee representative)	2019	Senior Vice President Global Sports Marketing & Brand Relations, adidas AG, Herzogenaurach, Germany

The Supervisory Board has established five regular committees: the Steering Committee, the General Committee, the Audit Committee, the Nomination Committee and the Mediation Committee.

The members of the Supervisory Board listed above, apart from Herbert Kauffmann, have been appointed until the end of the Annual General Meeting that resolves on their discharge from responsibilities for the fiscal year 2023. Herbert Kauffmann is appointed until the end of the 2021 Annual General Meeting. Accordingly, one new Supervisory Board member will be elected in the 2021 Annual General Meeting.

The business address of the members of the Supervisory Board is the same as that of the Issuer.

No conflicts of interests between the private interests of the members of the Supervisory Board and their duties *vis-à-vis* the Issuer and/or other duties have been reported to the Supervisory Board to whom they have to be reported according to the Rules of Procedure of the Supervisory Board.

Share Capital

As of December 31, 2019 the stock capital of adidas AG amounts to € 200,416,186 and is divided into the same number of registered no-par-value shares with a notional pro-rata amount in the stock capital of € 1 each.

Shareholders

The shares of adidas AG are 100 per cent. in free float. adidas currently estimates the total number of shareholders of adidas AG at approximately 103,000. In its latest ownership analysis conducted in January 2020, adidas identified almost 100% of its shares outstanding. Institutional investors represent the largest investor group, holding 89% of shares outstanding. Private investors and undisclosed holdings account for 9%. Lastly, adidas AG currently holds 2% of the company's shares as treasury shares; this increase versus the prior year mainly reflects the shares resulting from adidas' share buyback activities which have not been cancelled yet. In terms of geographical distribution, the North American market currently accounts for 43% of institutional shareholdings, followed by the UK with 21%. Identified German institutional investors hold 10% of shares outstanding. Institutional investors from Belgium account for 8% and 18% of institutional shareholders were identified in other regions of the world.

Historical Financial Information

The audited consolidated financial statements of adidas Group as of and for the financial years ended December 31, 2018 and December 31, 2019 as well as the unaudited consolidated interim financial statements of adidas Group as of and for the period ended June 30, 2020 which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") are incorporated by reference in and form part of this Prospectus.

Significant change in the financial position of the Issuer / Trend Information

Other than as a result of the coronavirus outbreak as described below:

There have been no significant changes in the financial position of the Group since June 30, 2020.

There has not been any significant change in the financial performance of the Group since June 30, 2020, the end of the last financial period for which financial information has been published, to the date of the Prospectus.

There has been no material adverse change in the prospects of the Issuer since the date of the last published audited financial statements as of December 31, 2019.

Rating

adidas AG has been rated A2/Prime-1 (outlook stable) by Moody's France S.A.S. ("**Moody's**")^{1,2} and A+/A-1 (outlook stable) by S&P Global Ratings Europe Limited ("**S&P**")³.

A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Recent Developments and Outlook; Impact of the coronavirus outbreak

Starting from China in January 2020, the coronavirus outbreak has spread globally, including to most countries in Europe and North America. In March 2020, the World Health Organization declared the coronavirus outbreak a pandemic. Presently countries are at different points of the pandemic lifecycle. While in some countries the number of daily new infections seems to be decreasing and a recovery has started to materialize, in others a further increase of new infections is expected. In most countries, governments have reacted with stringent social distancing policies, including curfews, travel restrictions and the closing of retail stores, restaurants, schools and universities. These policies have resulted in a material decrease of overall discretionary retail sales, as the online channel can only partially compensate for the broad-based closures of physical stores in most consumer sectors. In addition, the coronavirus outbreak has caused, and is continuing to cause, significant volatility in the financial markets globally, which has and could continue to weigh on consumer sentiment and hence lead to further weakness in discretionary consumer spending. adidas has a dedicated task force team in place to assess the situation, develop mitigation actions and ensure the health and safety of its employees, which is the company's number one priority.

On April 14, 2020, adidas received the approval of the German government for the participation of KfW, Germany's state-owned development bank, in a syndicated revolving loan facility amounting to € 3.0 billion at customary market conditions to bridge the current unprecedented global economic situation. Such syndicated revolving loan facility was eventually entered into on April 17, 2020. The syndicated loan with a maturity of July 2021 (and extension option for one additional year) comprises a loan commitment of € 2.4 billion from KfW and € 600 million in loan commitments from a consortium of the Issuer's partner banks. adidas will repay any used portion of the loan, including interest and fees, as quickly as possible. One of the conditions of the syndicated loan is that adidas de facto suspends dividend payments for the duration of the facility.

At the high point of the worldwide lockdown measures in April, almost all stores outside of Asia-Pacific or more than 70% of the company's global store fleet, were closed.

Starting in May, adidas began to execute its store reopening plan also outside of Asia-Pacific in accordance with the decisions taken by local authorities, resulting in 83% of stores being operational at the end of June, albeit partly with reduced hours. While store traffic remains below prior year levels, the company registered an increase in conversion rates, as consumers that visit stores tend to have a clearer buying intent. During the lockdowns, adidas doubled down on e-commerce as the only fully operational channel through targeted consumer marketing, exclusive product launches and prioritized supply chain management. This strong focus was reflected in global e-commerce sales growth accelerating to a triple-digit rate in both April and May and remaining at an exceptional level even as stores reopened. Currency-neutral sales through the company's own e-commerce channel increased 93% during the second quarter of 2020 (in comparison to the second quarter of 2019). However,

¹ Moody's is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). Obligations rated "A" are judged to be upper medium-grade and subject to low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 2 indicates a mid-range ranking. Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

² The European Securities and Markets Authority publishes on its website (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

³ S&P is established in the European Community and is registered under the CRA Regulation. An obligation rated "A" means that the Issuer has a strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances. The ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. A short-term obligation rated "A-1" is rated in the highest category by S&P and the obligor's capacity to meet its financial commitment on the obligation is strong.

currency-neutral growth in the first half of 2020 of 67% (in comparison to the first half of 2019) in e-commerce could only partially offset the material revenue decline in the physical channels. The overall developments related to the coronavirus significantly weighed on the first half 2020 revenues in all regions. While sales in Greater China were flat for the second quarter reflecting growth in May and June, currency-neutral sales in Asia-Pacific were down 16% in the second quarter (-45% in the first quarter). The coronavirus pandemic weighed on the second quarter net sales developments most severely in Latin America (-64%; 0% in the first quarter) and Emerging Markets (-60%; -11% in the first quarter), and also had a significant negative impact in Europe (-40%; -8% in the first quarter), North America (-38%; +1% in the first quarter) and Russia/CIS (-34%; +9% in the first quarter) (each on a currency-neutral basis).

In the first half of 2020, revenues decreased 26% on a currency-neutral basis and 27% in euro terms to € 8.332 billion (2019: € 11.392 billion). adidas incurred a net loss from continuing operations of € 286 million (2019: income of € 1.093 billion). Net cash (used in) / generated from operating activities decreased to € -824 million (2019: € 1.011 billion). This development was driven by the operating loss and the increase in operating working capital, which were both results of the coronavirus pandemic. Short-term borrowings rose 146% to € 1.217 billion at the end of June 2020 (June 30, 2019: € 496 million), reflecting the utilization of existing credit lines as a result the financial leverage ratio (based on shareholders equity) increased significantly in the first half of 2020 to 12.7% (2019: -5.5%). The cash position at June 30, 2020 amounted to € 2.018 billion (June 30, 2019: € 2.455 billion) and was largely stable in comparison to the end of the first quarter.

Basic as well as diluted earnings per share (EPS) were negative € 1.33 (2019: positive € 5.50). Net debt amounted to € 792 million at June 30, 2020 (June 30, 2019: net cash of € 362 million). This represents a deterioration of € 222 million compared to the net debt position of € 570 million at the end of the first quarter (December 31, 2019: net cash of € 873 million) and reflects a net debt/EBITDA ratio of 0.4x (-0.2x at year end 2019). The company's equity ratio stood at 30.7% at June 30, 2020.

As the coronavirus outbreak keeps evolving, the future developments remain largely uncertain. While a slowdown of regional outbreaks and corresponding gradual removal of restrictions is expected to lead to a partial recovery in the second half of 2020, downside risks dominate in light of heightened uncertainty. Globally, a prolonged disruption of economic activity could lead to a further slowdown in manufacturing and trade, turbulences in financial markets as well as a material reduction of consumer confidence, trade and growth. Moreover, re-escalating trade tensions and geopolitical conflicts might compromise an economic recovery. For the remainder of 2020, the global sporting goods industry is expected to still be negatively impacted by the coronavirus pandemic. Heightened uncertainty about a potential reintroduction of nationwide lockdown measures and other restrictions will further weigh on consumer sentiment and industry growth in major markets. Against this negative backdrop, the demand for sporting goods is predicted to stay constrained, even though digital channels are set to continue to partially compensate for adverse impacts from store closures and social distancing measures. While positive longterm industry drivers such as the increasing penetration of sports-inspired apparel and footwear ('athleisure') have been amplified by the pandemic, a prolonged drop in economic activity continues to be a near-term downside risk for the sporting goods industry, too.

Due to these uncertainties, the overall impact of the coronavirus outbreak on the company's business in 2020, which could be material, cannot be quantified reliably at this point in time. However, despite the present challenges posed by the coronavirus outbreak, adidas remains fully confident about its long-term future growth prospects thanks to its healthy fundamentals and its strong positioning within an attractive industry.

The company's top- and bottom-line development is projected to improve sequentially in the third quarter of 2020. The anticipated sequential recovery in the third quarter assumes that the company's global store fleet will be operational throughout the quarter in the absence of any major lockdowns, with traffic in physical stores continuing to gradually improve.

TAXATION WARNING

THE TAX LEGISLATION APPLICABLE TO PROSPECTIVE PURCHASERS OF NOTES AND THE ISSUER'S COUNTRY OF INCORPORATION MAY HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE NOTES. PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS APPLICABLE IN GERMANY, THE GRAND DUCHY OF LUXEMBOURG AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS OR OTHERWISE SUBJECT TO TAXATION.

SUBSCRIPTION AND SALE OF THE NOTES

General

The Issuer has agreed in an agreement to be signed on or about September 8, 2020 to sell to the Bookrunners, and the Bookrunners have agreed, subject to certain customary closing conditions, to purchase, on the Issue Date the 2024 Notes at a price of 100.321 per cent. of the Aggregate Principal Amount and the 2035 Notes at a price of 99.360 per cent. of the Aggregate Principal Amount. Proceeds to the Issuer will be net of commissions payable to the Bookrunners. The Issuer has furthermore agreed to reimburse the Bookrunners for certain expenses incurred in connection with the issue of the Notes.

The Bookrunners are entitled, under certain circumstances, to terminate the agreement reached with the Issuer. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Bookrunners against certain liabilities in connection with the offer and sale of the Notes.

Each of the Bookrunners and/or its affiliates have provided from time to time, and expect to provide in the future, investment banking and other commercial services in the ordinary course of business to the Issuer and its affiliates, for which each of the Bookrunners or its affiliates have received or will receive customary fees and commissions. In addition, in the ordinary course of their business activities, the Bookrunners and/or their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Bookrunners and/or their respective affiliates that have a lending relationship with the Issuer or its affiliates routinely hedge their credit exposure to the Issuer or its affiliates consistent with their customary risk management policies. Typically, such Bookrunners and/or their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of the Issuer or its affiliates, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Bookrunners and/or their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

There are no interests of natural and legal persons involved in the issue, including conflicting ones, which are material to the issue.

The Notes are freely transferable.

Selling Restrictions

General

Each of the Bookrunners has represented and agreed that it will (to the best of its knowledge and belief) comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers the Notes or possesses or distributes the Prospectus and that it will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the Bookrunners shall have any responsibility therefor.

European Economic Area and United Kingdom

Each of the Bookrunners has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area or the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

- (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

United States of America and its Territories

Each of the Bookrunners has acknowledged that the Notes have not been and will not be registered under the Securities Act and may not be offered, or sold within the United States of America (the "**United States**") to or for the account or benefit of, United States persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each of the Bookrunners has represented and agreed that neither it nor any persons acting on its behalf has offered, sold or delivered and will offer, sell or deliver any Notes within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each of the Bookrunners has represented and agreed that neither it, nor its affiliates nor any persons acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this subparagraph have the meaning given to them by Regulation S.

The Notes will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**" or "**TEFRA D**") (or, any successor rules in substantially the same form as TEFRA D Rules, as applicable, for purposes of Section 4701(B) of the U.S. Internal Revenue Code or any successor provision governing an excise tax exception regarding TEFRA D).

Each of the Bookrunners has represented and agreed that:

- (a) except to the extent permitted under TEFRA D, (i) it has not offered or sold, and agrees that during the restricted period it will not offer or sell, such Notes to a person who is within the United States or its possessions or to a United States person, and (ii) it has not delivered and agrees that it will not deliver within the United States or its possessions such Notes that are sold during the restricted period;
- (b) it has and throughout the restricted period they will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;
- (c) with respect to each affiliate that acquires such Notes from any Bookrunner for the purposes of offering or selling such Notes during the restricted period, the Bookrunner either (x) repeats and confirms the representations and agreements contained in subparagraphs (a) and (b) above on such affiliate's behalf or (y) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in subparagraphs (a) and (b) above.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA D Rules.

In addition, each of the Bookrunners has represented and agreed that it has not entered and will not enter into any contractual arrangement with any distributor (as that term is defined for purposes of Regulation S and the D Rules) with respect to the distribution of the Notes, except with its affiliates or with the prior written consent of the Issuer.

United Kingdom of Great Britain and Northern Ireland

Each of the Bookrunners has represented and agreed that,

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**"))

received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Japan

Each of the Bookrunners has represented and agreed that the Notes have not been and will not be registered under the Financial Instrument and Exchange Act of Japan (Law No. 25 of 1948, as amended) (the "**Financial Instrument and Exchange Act**"). Each of the Bookrunners has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except only pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instrument and Exchange Act and any applicable laws, regulations and guidelines of Japan.

Singapore

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

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

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

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

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

GENERAL INFORMATION

Authorisation

The issue of the Notes has been authorised by the Executive Board of the Issuer in August 2020 and by the supervisory board of the Issuer on August 4, 2020.

Use of proceeds

In connection with the issue of the Notes, the Issuer expects to receive net proceeds of approximately EUR 996,030,000 after deducting expenses and commissions payable to the Bookrunners. The Issuer intends to use the net proceeds for general financing purposes including the refinancing of the outstanding EUR 600 million fixed rate bonds of the Issuer due 2021.

Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange on or around the Issue Date. The total expenses related to the admission to trading of the Notes will amount to approximately EUR 16,000.

Clearing Systems

The Notes have been accepted for clearance through Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg, and Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium.

The 2024 Notes have been assigned the following securities codes: ISIN XS2224621347, Common Code 222462134, WKN A3H2X0. The 2035 Notes have been assigned the following securities codes: ISIN XS2224621420, Common Code 222462142, WKN A3H2X1.

Yield

The yield of the 2024 Notes is -0.080 per cent. *per annum*. The yield of the 2035 Notes is 0.670 per cent. *per annum*.

Rating

The Notes are rated A2 by Moody's France S.A.S. and A+ by S&P Global Ratings Europe Limited.

ECB eligibility

The Notes are intended to be held in a manner which would allow Eurosystem eligibility and upon issue to be deposited with one of the ICSDs as common safekeeper. This does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Documents Available

Copies of the following documents will, when published, be available free of charge during normal business hours from the registered office of the Issuer and from the specified offices of the Principal Paying Agent for the time being in Frankfurt am Main and on the website <https://www.adidas-group.com>.

- (i) the constitutional documents (with an English translation where applicable) of the Issuer;
- (ii) the audited consolidated financial statements of adidas Group as of and for the financial years ended December 31, 2018 and December 31, 2019, respectively, in each case including the auditor's report;
- (iii) the unaudited consolidated interim financial statements of adidas Group as of and for the period ended June 30, 2020;
- (iv) a copy of this Prospectus; and
- (v) any supplements to this Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

Documents incorporated by Reference

The following documents which have been previously published or which are published simultaneously with this Prospectus and filed with the CSSF shall be incorporated by reference in, and form part of, this Prospectus:

- the audited consolidated financial statements of adidas Group as of and for the financial years ended December 31, 2018 and December 31, 2019, in each case including the respective auditor's report, and
- the unaudited consolidated interim financial statements of adidas Group as of and for the period ended June 30, 2020.

Comparative Table of Documents incorporated by Reference

Audited consolidated financial statements of adidas Group (IFRS) as of and for the financial year ended December 31, 2018 (p. 148 – 230, p. 232 – 236) of adidas Annual Report 2018)

- p. 148 – 149: Consolidated Statement of Financial Position
- p. 150: Consolidated Income Statement
- p. 151: Consolidated Statement of Comprehensive Income
- p. 152: Consolidated Statement of Changes in Equity
- p. 153 – 154: Consolidated Statement of Cash Flows
- p. 155 – 230: Notes
- p. 232 – 236: Independent Auditor's Report

https://www.adidas-group.com/media/filer_public/e9/ba/e9bad34f-ca11-44f6-977f-364d0650feaf/annual_report_gb-2018-en_secured.pdf

Audited consolidated financial statements of adidas Group (IFRS) as of and for the financial year ended December 31, 2019 (p. 134 – 212, p. 214 – 218) of adidas Annual Report 2019)

- p. 134 – 135: Consolidated Statement of Financial Position
- p. 136: Consolidated Income Statement
- p. 137: Consolidated Statement of Comprehensive Income
- p. 138: Consolidated Statement of Changes in Equity
- p. 139 – 140: Consolidated Statement of Cash Flows
- p. 141 – 212: Notes
- p. 214 – 218: Independent Auditor's Report

https://www.adidas-group.com/media/filer_public/a8/5c/a85c9b8e-865b-4237-8def-8574be243577/annual_report_gb-2019_en.pdf

Unaudited consolidated interim financial statements of adidas Group (IFRS) as of and for the period ended June 30, 2020 (p. 12 – 31 of adidas First Half Year Report January-June 2020)

- p. 12 – 13: Consolidated Statement of Financial Position
- p. 14: Condensed Consolidated Income Statement
- p. 15: Consolidated Statement of Comprehensive Income
- p. 16: Consolidated Statement of Changes in Equity
- p. 17 – 18: Consolidated Statement of Cash Flows
- p. 19 – 31: Explanatory Notes

https://www.adidas-group.com/media/filer_public/5e/65/5e659f50-e896-4897-b016-b3aad5bc44c0/adidas_h1_2020_report_en.pdf

Any information contained in the source documents that is not included in the above comparative table of documents incorporated by reference, is not incorporated by reference into the Prospectus. Such information is covered elsewhere in the Prospectus or is not relevant for the investor of the Notes.

Availability of incorporated Documents

For a duration of at least ten years after the publication of this Prospectus any document incorporated herein by reference can be obtained without charge at the offices of adidas AG as set out at the end of this Prospectus and will also be available under the hyperlinks specified above. Additionally, such documents will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

NAMES AND ADDRESSES

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ACTIVE BOOKRUNNERS

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Deutsche Bank
Aktiengesellschaft
Mainzer Landstrasse 11-17
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60329 Frankfurt am Main
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To the Issuer as to German law

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Federal Republic of Germany