



Carlsberg Breweries A/S

(incorporated with limited liability in the Kingdom of Denmark)

€5,000,000,000

Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme described in this Base Prospectus (the "Programme"), Carlsberg Breweries A/S (the "Issuer"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "Notes"). The aggregate nominal amount of Notes outstanding will not at any time exceed €5,000,000,000 (or the equivalent in other currencies).

The Base Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "CSSF") in its capacity as competent authority under the Luxembourg Law dated 16 July 2019 relating to prospectuses for securities (as amended, the "Luxembourg Prospectus Law") and Regulation (EU) 2017/1129 (the "Prospectus Regulation") for the approval of this Base Prospectus as a base prospectus in accordance with Article 20 of the Prospectus Regulation. By approving this Base Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with the Luxembourg Prospectus Law. This Base Prospectus has been drawn up in accordance with Article 8 of the Prospectus Regulation and the CSSF only approves this Base 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 Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Pursuant to the Luxembourg Prospectus Law, the CSSF is not competent to approve prospectuses for the offering to the public or for the admission to trading on regulated markets of money market instruments having a maturity at issue of less than 12 months.

Application has also been made to the Luxembourg Stock Exchange for the Notes issued under the Programme to be admitted to the official list of the Luxembourg Stock Exchange (the "Official List") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. References in this Base Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2014/65/EU (as amended, "MiFID II") of the European Parliament and of the Council on markets in financial instruments. However, unlisted Notes may be issued pursuant to the Programme. The relevant Final Terms in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market (or any other stock exchange).

The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 6(4) of the Luxembourg Prospectus Law. Each Series (as defined in "General Description of the Programme - Method of Issue") of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "temporary Global Note") or a permanent global note in bearer form (each a "permanent Global Note" and together with a temporary Global Note, "Global Notes"). If the Global Notes are stated in the applicable Final Terms to be issued in new global note ("NGN") form, the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg"). Notes in registered form will be represented by registered certificates (each a "Certificate"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Registered Notes issued in global form will be represented by registered global certificates ("Global Certificates"). If a Global Certificate is held under the New Safekeeping Structure (the "NSS") the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

Global notes which are not issued in NGN form ("Classic Global Notes" or "CGNs") and Global Certificates which are not held under the NSS will be deposited on the issue date of the relevant Tranche with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the "Common Depository"). Each such temporary Global Note will be exchangeable, as specified in the applicable Final Terms, for either a permanent Global Note or Notes in definitive form, in each case upon certification as to non-US beneficial ownership as required by U.S. Treasury Regulations. A permanent Global Note will be exchangeable for definitive Notes in limited circumstances, all as further described in "Overview of Provisions relating to the Notes while in Global Form" herein.

The Programme has been rated Baa2 by Moody's Italia S.r.l. ("Moody's") and BBB+ by Fitch Ratings Ltd. ("Fitch"). The credit ratings included or referred to in this Base Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies, as amended by Regulation (EU) No 513/2011 (the "CRA Regulation"), as having been issued by Moody's and Fitch. Moody's and Fitch are established in the European Union and United Kingdom, respectively, and are each registered under the CRA Regulation. A list of registered Credit Rating Agencies is published on the European Securities and Markets Authority ("ESMA") website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>). Tranches of Notes (as defined in "General Description of the Programme - Method of Issue") to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the Programme. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union or the United Kingdom and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

This Base Prospectus will be valid as a base prospectus under the Prospectus Regulation for 12 months from 15 May 2020. The obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply following the expiry of that period.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Base Prospectus. The Base Prospectus and all documents incorporated by reference herein will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Issuer (<https://www.carlsberggroup.com/investor-relations/debt-investor/bond-programme/bond-programme/>).

Arranger for the Programme

BNP PARIBAS

Dealers

BNP PARIBAS

MUFG Bank

SEB

Danske Bank

Nordea

Société Générale Corporate & Investment Banking

UniCredit Bank

This Base Prospectus comprises a base prospectus for the purposes of the Prospectus Regulation.

The Issuer (the “Responsible Person”) accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes under the Programme. To the best of the knowledge of the Issuer the information contained in this Base Prospectus and the Final Terms is in accordance with the facts and this Base Prospectus as completed by the Final Terms makes no omission likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference”).

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (“EEA”) (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in a Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, any information or representation not so contained must not be relied upon as having been authorised by the Issuer or any of the Dealers, the Arranger, the Fiscal Agent or the Registrar and Transfer Agent (each as defined in “General Description of the Programme”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

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 EEA or in the United Kingdom. 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 (EU) 2016/97 (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. 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 or in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIIPs Regulation.

MiFID II product governance / target market – The Final Terms in respect of any Notes will include a legend entitled “MiFID II PRODUCT GOVERNANCE” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into

consideration the 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 target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor any Dealer nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Amounts payable under some of the Notes may be calculated by reference to the Euro Interbank Offered Rate (“EURIBOR”) or the London Interbank Offered Rate (“LIBOR”) which are administered by the European Money Markets Institute (“EMMI”) and the ICE Benchmark Administration Limited (“ICE”), respectively. As at the date of this Prospectus, both EMMI and ICE appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“ESMA”) pursuant to Article 36 of Regulation (EU) 2016/1011 (the “Benchmarks Regulation”).

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, (the “Securities Act”) and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons except to the extent permitted by the Dealer Agreement. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “Subscription and Sale”.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

In connection with the issue of any Tranche (as defined in "General Description of the Programme - Method of Issue"), one or more Dealers in such capacity (the "Stabilisation Manager(s)") (or any person acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "Danish kroner" and "DKK" are to the lawful currency of the Kingdom of Denmark, those to "euro", "EUR" or "€" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Union (as amended from time to time), those to "Renminbi", "RMB" and "CNY" are to the lawful currency of the People's Republic of China (the "PRC") which, for the purposes of this Base Prospectus, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan, those to "Sterling" and "£" are to the lawful currency of the United Kingdom and those to "U.S. dollars" are to the lawful currency of the United States of America.

TABLE OF CONTENTS

	Page
GENERAL DESCRIPTION OF THE PROGRAMME.....	1
RISK FACTORS.....	8
BASE PROSPECTUS SUPPLEMENT.....	22
DOCUMENTS INCORPORATED BY REFERENCE.....	23
TERMS AND CONDITIONS OF THE NOTES.....	27
OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM.....	58
USE OF PROCEEDS.....	65
CARLSBERG BREWERIES A/S.....	66
TAXATION.....	84
SUBSCRIPTION AND SALE.....	87
FORM OF FINAL TERMS.....	90
GENERAL INFORMATION.....	101

GENERAL DESCRIPTION OF THE PROGRAMME

The following overview is qualified in its entirety by the remainder of this Base Prospectus.

Issuer	Carlsberg Breweries A/S
Issuer Legal Entity Identifier (LEI)	5493008YL42784DMWN61
Website of the Issuer	https://www.carlsberggroup.com/ <i>The information on https://www.carlsberggroup.com/ does not form part of this Base Prospectus, except where that information has otherwise expressly been incorporated by reference into this Base Prospectus.</i>
Description	Euro Medium Term Note Programme
Size	Up to €5,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Arranger	BNP Paribas
Dealers	BNP Paribas MUFG Securities (Europe) N.V. Danske Bank A/S Nordea Bank Abp Skandinaviska Enskilda Banken AB (publ) Société Générale UniCredit Bank AG
Fiscal Agent	BNP Securities Services, Luxembourg Branch
Registrar and Transfer Agent	BNP Securities Services, Luxembourg Branch
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of

that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the “Final Terms”).

Issue Price

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Form of Notes

The Notes may be issued in bearer form only (“Bearer Notes”), in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) or in registered form only (“Registered Notes”). Unless otherwise specified in the applicable Final Terms, each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with TEFRA D (as defined in “ - Selling Restrictions” below), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “Global Certificates”.

Clearing Systems

Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

Initial Delivery of Notes

On or before the issue date for each Tranche, if the relevant Global Note is an NGN or the relevant Global Certificate is held under the NSS, the Global Note or Global Certificate will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Global Note is a CGN or the relevant Global Certificate is not held under the NSS, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may (or, in the case of Notes listed on the official list of the Luxembourg Stock Exchange, shall) be deposited

with a common depository for Euroclear and Clearstream, Luxembourg. Global Notes or Certificates relating to Notes that are not listed on the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

Currencies

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.

Maturities

Subject to compliance with all relevant laws, regulations and directives, any permitted minimum or maximum maturity.

According to the Luxembourg Prospectus Law relating to prospectuses for securities, the CSSF is not competent to approve prospectuses for the listing of money market instruments having a maturity at issue of less than 12 months and which also comply with the definition of securities in the Luxembourg Law.

Specified Denomination

Definitive Notes will be in such denominations as may be specified in the relevant Final Terms save that (i) the minimum denomination of each Note admitted to trading on a regulated market within the EEA or the United Kingdom and/or offered to the public in an EEA State or the United Kingdom in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 (“FSMA”) will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Fixed Rate Notes

Fixed interest will be payable in arrear on the date or

Floating Rate Notes

dates in each year specified in the relevant Final Terms.

Floating Rate Notes will bear interest determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. or

(ii) by reference to LIBOR as adjusted for any applicable margin.

Interest Periods will be specified in the relevant Final Terms.

Benchmark Discontinuation

In the case of Floating Rate Notes, if a Benchmark Event occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser (as defined in Condition 5(k)) to determine a Successor Rate, failing which an Alternative Rate, and in either case, an Adjustment Spread and any Benchmark Amendments, as further described in Condition 5(k).

Zero Coupon Notes

Zero Coupon Notes (as defined in “Terms and Conditions of the Notes”) may be issued at their nominal amount or at a discount to it and will not bear interest.

Interest Periods and Interest Rates

The length of the Interest Periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same Interest Period. All such information will be set out in the relevant Final Terms.

Step Up Event or Step Down Event

The relevant Final Terms will state whether a Step Up Event or Step Down Event will apply to the Notes, in which case the rate of interest in respect of the Notes may be subject to adjustment as specified in the relevant Final Terms. See “Terms and Conditions of the Notes – Step Up Event or Step Down Event”.

Redemption

The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its

Optional Redemption	<p>equivalent in other currencies).</p> <p>The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, including by means of a change of control put option, and if so the terms applicable to such redemption.</p>
Status of Notes	<p>The Notes will constitute direct, unsubordinated, unconditional and (subject to the Negative Pledge) unsecured obligations of the Issuer as described in “Terms and Conditions of the Notes - Status”.</p>
Negative Pledge	<p>See “Terms and Conditions of the Notes - Negative Pledge”.</p>
Cross Default	<p>See “Terms and Conditions of the Notes - Events of Default”.</p>
Ratings	<p>The Programme has been rated Baa2 by Moody’s and BBB+ Fitch.</p> <p>As per the rating services of Moody’s, obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. The modifier “2” indicates a mid-range ranking.</p> <p>Source: Moody’s, https://www.moody.com/ratings-process/Ratings-Definitions/002002</p> <p>As per the rating services of Fitch, obligations rated BBB indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity. The modifier “+” appended to the rating denotes relative status within major rating categories.</p> <p>Source: https://www.fitchratings.com/products/rating-definitions</p> <p>Tranches of Notes may be rated or unrated. The credit ratings included or referred to in this Base Prospectus will be treated for the purposes of the CRA Regulation as having been issued by Moody’s and Fitch. Moody’s and Fitch are established in the European Union and the United Kingdom, respectively, and are registered under the CRA Regulation. A list of registered Credit Rating Agencies is published on the ESMA website (http://www.esma.europa.eu/page/List-registered-and-certified-CRAs). Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Final Terms. Where a Tranche of Notes is to be rated, such</p>

rating will not necessarily be the same as the rating assigned to Notes already issued under the Programme. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union or in the United Kingdom and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Early Redemption

Except as provided in “- Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See “Terms and Conditions of the Notes - Redemption, Purchase and Options”.

Withholding Tax

All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Kingdom of Denmark, subject to customary exceptions, all as described in “Terms and Conditions of the Notes - Taxation”.

Governing Law

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

Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to be admitted to trading on the Luxembourg Stock Exchange’s regulated market or as otherwise specified in the relevant Final Terms and references to listing shall be construed accordingly. As specified in the relevant Final Terms, a Series of Notes may be unlisted.

Selling Restrictions:

The United States, the United Kingdom, the Kingdom of Denmark, Japan and the People’s Republic of China. See “Subscription and Sale”.

The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended. If the relevant Final Terms specify that the applicable TEFRA exemption is “TEFRA D”, then the Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”)) (“TEFRA D”) unless (i) the relevant Final Terms specify that the

applicable TEFRA exemption is “TEFRA C”, then the Bearer Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (“TEFRA C”) or (ii) if the relevant Final Terms specify “TEFRA not applicable”, then the Notes are issued other than in compliance with TEFRA D or TEFRA C but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”).

RISK FACTORS

The Issuer believes that the following factors may adversely affect its operations or financial condition and cause harm to the Issuer's reputation and thereby affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur.

The risk factors described below are those the Issuer currently views as material. Such risk factors have been arranged in two categories (Risks related to the Group's Industry and Risks related to the Group's Business) and listed in an order of priority that reflects their materiality based on the expected magnitude of their negative impact. The Issuer may face a number of these risks described below simultaneously and some risks may be interdependent. Prospective investors should carefully consider all of the risk factors.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme. Additional risks, uncertainties and circumstances not included in this Base Prospectus, including risks that are not known to the Issuer at present or that it currently deems immaterial, may also arise or become material in the future and may have a negative impact on the Issuer's group business, result of operations, financial conditions and prospects. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risks related to the Group's Industry

The Group is exposed to the risks of an economic downturn or recession and falls in per capita income, which could adversely affect the demand for its products

The Group is exposed to the risks of an economic downturn or recession either globally or in one or more of its key markets.

Beer and soft drink consumption in emerging and growth markets is linked to general economic conditions, tending to rise in such markets during periods of increasing per capita income and to fall during periods of declining per capita income. In addition to moving in line with changes in per capita income, beer consumption also increases or decreases in accordance with changes in disposable income, particularly in the emerging markets in which the Group operates. A decrease in disposable income resulting from an increase in income taxes, the cost of living, legislative restrictions such as sanctions or other factors adversely affecting demand for beer and soft drinks, could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Competition in the beverage industry may lead to a reduction in margins and may affect the Group's profitability

Although the Group has a leading position in the beer market in a number of its key markets, the Group is subject to competition from existing competitors and new entrants, as well as from substitute beverages, and may be affected by further consolidation in the sector. In order to maintain its competitive position the Group may need to increase its advertising and promotion expenditure, develop new products through innovation and maintain and optimise its existing portfolio.

There can be no assurance that significant increases in advertising and promotion costs, loss of sales volume, price discounting, a lack of innovative products or a combination of these and other factors that may occur as a result of increased competition would not have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Seasonal consumption cycles and adverse weather conditions may result in fluctuations in demand for the Group's products, adversely affecting the Group's business, results of operations, cash flows and financial condition

Seasonal consumption cycles and adverse weather conditions in the markets in which the Group operates may result in fluctuations in demand for the Group's products. Accordingly, demand for beer is normally more depressed in the Group's major markets during the first three months of each year. As a result, the Group's consolidated net revenue is normally lower during these months. Moreover, exceptionally cold summer temperatures or hot summer temperatures in certain key markets of the Group, particularly in Western and Eastern Europe, may have a temporary negative impact on the demand for the Group's products as consumers substitute beer with alternative beverages, contributing to lower sales of beer and, therefore, could have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

There are a variety of factors relating to consumer preferences that may cause lower demand for the Group's products, which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The beverage industry is highly competitive, and the beer segment in particular faces strong competition from alternative beverages. Consumer demand for beer and soft drinks depends on a variety of factors, including changes in demographic and social trends, health perceptions, the introduction of alternative spending opportunities and downturns in economic conditions. These factors may reduce consumers' willingness to purchase beer products and soft drinks and may lead to the consumption of substitute products. Reduced consumption of beer and, to a lesser extent, soft drinks in any of the Group's key markets could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Changes in existing regulations, increased regulation or failure to comply with existing licensing, trade and other regulations could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group's brewing, bottling, marketing, sales and distribution operations are subject to regulation in the countries in which it operates regarding such matters as licensing requirements, trade and pricing practices (including grey market imports and parallel pricing), labelling, advertising, promotion and marketing practices, relationships with distributors, environmental, tax, labour and other matters. Failure to comply with these laws and regulations could result in the loss, revocation or suspension of the Group's licenses, permits or approvals and may also result in negative publicity.

In addition, changes in any of these or any other laws or regulations could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. There can be no assurance that the Group will not incur material costs or liabilities in connection with its compliance with current applicable regulatory requirements or that such regulations will not interfere with, restrict or affect the Group's business.

The level of regulation to which the Group is subject can be affected by changes in public perception of beer and soft drink consumption.

Cost increases and shortages of raw materials and packaging could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

Management cannot predict future availability or prices of the raw materials (such as barley, malt and hops) and packaging materials (which include mainly aluminium cans, glass and PET bottles, labels, plastic crates and cardboard products) required for the Group's production. The prices of raw materials and packaging can fluctuate widely and are determined by the relative strengths of suppliers (which may be increased by consolidation among suppliers, reducing supply alternatives for the Group), global supply and demand and other factors, including changes in exchange rates, energy prices, global crop production, government

regulations and legislation affecting agriculture, factors over which the Group has no control. A substantial increase in the prices of these materials (in particular if such incremental amounts cannot be passed on to the customer), a lack of availability of materials or a prolonged interruption in their supply, could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

In particular, the supply and price of raw materials used to produce the Group's products can be affected by a number of factors beyond the Group's control, including frosts, droughts, growing demand for biofuel and other adverse weather conditions, economic factors affecting growth decisions, various plant diseases and pests.

Furthermore, the Group's operations require access to significant amounts of water. Any sustained interruption in water supplies (as a result of drought or general water shortage) to the Group or any significant increase in water prices could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group's business, results of operations, cash flows or financial condition could be affected by increased excise duties, environmental fees and tax costs

Various legislative authorities in those countries in which the Group operates may from time to time consider proposals to impose environmental fees, additional excise and other taxes on the production and sale of alcoholic and non-alcoholic beverages, including beer and soft drinks. Changes in such duties applicable to the Group's products may affect the prices at which they are sold, which can in turn result in changes in demand for the Group's products. Increases in the levels of excise and other tax (either on an absolute basis or relative to the levels applicable to other alcoholic beverages) could have a significant adverse impact on sales volumes. In addition, there can be no assurance that the operations of the Group's breweries and other facilities will not become subject to increased excise duties and taxation by local, national or foreign authorities which together with changes in corporate income tax rates, transfer pricing regulations or regulations on repatriation of dividends and capital could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

A significant increase in the cost of energy could affect the Group's profitability

Energy prices, including the price of oil, natural gas, gasoline and diesel fuel, are cost drivers for the Group's business. Sustained high energy prices could negatively impact the Group's operating results and demand for the Group's products. Increases in energy costs would result in higher transportation, freight and other operating costs. The Group's future operating expenses and margins will be dependent upon its ability to manage the impact of cost increases. There can be no assurance that the Group will be able to pass increased energy costs to its customers through increased prices, and the inability to do so could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group is exposed to the risk of litigation

Companies in the beverage industry are, from time to time, exposed to class action or other litigation. In particular, such actions or litigation may be related to alcohol advertising, alcohol abuse programs or health consequences from the excessive consumption of alcohol or soft drinks as well as competition law infringements. Increasing legislation increases the risk of non-compliance while more regulatory supervision and the growing claim culture potentially increase the impact of any non-compliance. If any litigation faced by the group results in fines, damages or reputational damage, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Negative publicity may adversely affect companies in the beverage industry

Negative publicity regarding alcohol or soft drink consumption, publication of studies that indicate a significant health risk from consumption of alcohol or soft drinks, or changes in consumer perceptions in

relation to beer or soft drinks generally could adversely affect the sale and consumption of the Group's products and could harm the Group's business, results of operations, cash flows or financial condition as consumers and customers change their purchasing patterns.

The Group's ability to borrow from banks or in the capital markets may be materially adversely affected by a financial crisis in a particular geographic region, industry or economic sector

The Group's ability to borrow from banks or in the capital markets to meet its financial requirements is dependent on normal market conditions. Financial constraints in particular geographic regions, industries or economic sectors have, in the recent past, led and could in the future lead to sharp declines in the currencies, stock markets and other asset prices in those geographic regions, industries or economic sectors, in turn threatening affected financial systems and economies.

Significant costs can be incurred by companies in the beverage industry as a result of compliance with and violations or liabilities under environmental laws

The Group's operations are subject to various laws and regulations relating to the protection of the environment, including those governing the recycling of cans and bottles, the discharge of pollutants into the air and water, the management and disposal of hazardous substances and waste, and the cleanup of contamination. Potentially significant expenditures could be required as a result of violations of, or liabilities under, environmental laws or non-compliance with the environmental permits required at its production facilities or in order to comply with environmental laws that may be adopted or imposed in the future and there can be no assurance that the Group will not incur any environmental liability in the future. Any of the foregoing could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

If any of the Group's products contain contaminants, the Group may be subject to product recalls or other liabilities which could cause the Group to incur significant additional costs on a consolidated basis and suffer damage to its reputation

A risk of contamination exists at each stage of the production cycle, including the production and delivery of raw materials, the brewing and packaging of beer, the stocking and delivery of beer to distributors and retailers, and the storage and shelving of products at the points of final sale. Management believes that it takes reasonable precautions to ensure that the Group's beverage products are free of contaminants. In the event that contamination occurs, it may lead to business interruption, product recalls or liabilities, any of which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition and on the Group's reputation and prospects.

Risks related to the Group's Business

Natural and other disasters could disrupt the Group's operations

The Group's business and operating results could be negatively impacted by natural, social, technical or physical risks such as a widespread health emergency such as COVID-19 (or concerns over the possibility of such an emergency), earthquakes, hurricanes, typhoons, flooding, fire, power loss, cyberattacks, political instability, military conflict and uncertainties arising from terrorist attacks, including a global economic slowdown, the economic consequences of any military action and associated political instability.

The Group is subject to competition regulations in certain jurisdictions in which it has a leading market share

In many of the countries in which the Group operates, it has a leading position in the local beer market by volume (according to GlobalData Beer Trends 2018), which means that future expansion through the

acquisition of other businesses in the local market may be restricted or prevented. Where the Group has a strong leadership position, controls may be imposed to restrict its activities and prevent any possible abuse of such position. There can be no assurance that, were new or further competition regulations to be introduced into these markets, they would not have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Reliance on key third-party suppliers could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group relies on a limited number of key third-party suppliers, including third-party suppliers for a range of raw materials for beer and soft drinks, and for packaging material, including aluminium cans, glass and PET bottles and kegs. The Group seeks to limit its exposure to market fluctuations in these supplies by entering into medium and long-term fixed-price arrangements and by implementing effective supply chain structures. Consolidation of suppliers, the termination of arrangements with certain key suppliers or the failure of a key supplier to meet its contractual obligations would require the Group to make purchases from alternative suppliers, in each case at potentially higher prices than those agreed with this supplier, and this could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group also relies on bottling agreements with third parties. The loss of such licenses could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group's substantial dependence on third-party retailers and wholesalers for the distribution of its products could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group sells its products directly to retailers, including supermarkets, specialized beer or alcoholic beverage stores, pubs and restaurants, as well as to wholesalers for resale to retail outlets. Although in certain jurisdictions the Group owns some of these wholesalers, sales to third-party retailers and wholesalers (some of whom have significant market share and negotiating power) represent a significant portion of the Group's consolidated revenues. For instance, the Group relies primarily on third-parties to effect distribution in France. If third-party wholesalers and retailers give higher priority to other brands, purchase less of the Group's products or at lower prices, or devote inadequate promotional support to the Group's products, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. The Group is subject to credit risk in relation to certain customers and wholesalers. The Group provides credit to certain of its customers and wholesalers. These credit arrangements may include financing of all or a portion of the purchase price for the Group's products. The credit period is dependent on local practice and the creditworthiness of the customer or wholesaler. Any failure by these customers or wholesalers to discharge adequately their obligations on a timely basis or any event adversely affecting these third parties could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. Consolidation among the Group's customers and wholesalers also exposes the Group to increased concentration of third-party credit risk. Although the Group is not dependent on any single customer or wholesaler, the loss of, or a significant reduction in, business from one or more of the Group's major customers or wholesalers could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group may not be able to protect its intellectual property rights and any failure to protect the Group's intellectual property rights or any claims that the Group is infringing upon the rights of others may adversely affect the Group

The Group's future success depends significantly on its ability to protect its current and future brands and products and to defend its intellectual property rights. The Group has been granted numerous trademark

registrations covering its brands and products and has filed, and expects to continue to file on a timely basis, trademark and patent applications seeking to protect newly-developed brands and products. The Group cannot be sure that trademark and patent registrations will be issued with respect to any of its applications, or that once issued these registrations will not be challenged or circumvented by competitors. Moreover, some of the countries in which the Group operates offer less intellectual property protection than is available in Europe.

An event, or a series of events, that materially damages the reputation of one or more of the Group's brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Inability to gain from efficiency measures may lead to a reduction in margins and may affect the Group's profitability

Although the Group continues to implement a number of efficiency programmes, including implementation of effective supply chain structures, the Group may not realise the expected benefits from the efficiency measures taken under such programmes. There can be no assurance that any failure to derive benefits from such efficiency improvements would not have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group may be adversely affected by changes in exchange rates

The Issuer publishes its consolidated financial statements in Danish kroner. A substantial portion of the Group's assets, liabilities, revenues and costs are denominated in currencies other than the Danish kroner. As a result, the Group is exposed in particular to fluctuations in the values of these currencies. These currency fluctuations can have a significant impact on the Group's business, results of operations, cash flows or financial condition.

The Group derives a significant proportion of its consolidated earnings and cash flow from Western Europe and Asia

The Group derives a significant proportion of its consolidated earnings and cash flow from Western Europe and Asia. If sales of the Group's products in Western Europe and Asia significantly decreased, whether as a result of new and increased competition or other factors (including economic downturn or recession in these markets, negative consumer trends towards consumption of beer and soft drinks, fluctuations in exchange rates and the introduction of new laws, regulations, taxes or duties) it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group operates in several emerging and growth markets, which exposes it to political and economic risks in these markets

The Group has significant operations in emerging and growth markets in Eastern Europe and Asia, some of which provide a material part of its consolidated net revenue, including Russia.

The Group's operations in these markets are subject to risks including potential regulatory, political and economic instability, application of exchange controls, sanctions, nationalisation or expropriation (or public authority harassment in effect achieving the same), terrorism, crime and lack of law enforcement, political insurrection, external interference, labour unrest, currency fluctuations, inflation, economic recession, changes in government policy and difficulties in enforcement of legal rights. Exposure to these risks has increased as a result of the Group's strategy to seek growth in emerging and growth markets.

Moreover, these economies may not grow in the manner envisaged at the time the Group entered the relevant markets, and may suffer from recession, high rates of inflation and real currency devaluation. Such factors could cause interruptions to the Group's operations, increase the costs of operating in those countries,

adversely affect demand for the Group's products or the prices customers are willing to pay or limit the ability of the Group to repatriate profits from those countries, all of which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group faces defined benefit pension obligations in some of the countries in which it operates

In some countries in which the Group operates (mainly in the UK and Switzerland), the Group holds defined benefit plans.

In case of unfavourable market developments the Group could be required to make deficit contributions, which could impact Carlsberg's business, financial condition and/or results of operations.

Information technology failures could disrupt the Group's operations and could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group depends on information technology to enable it to operate efficiently and interface with suppliers and customers, as well as maintain in-house management and control and minimise costs. The Group is dependent on a limited number of strategic partners for its information technology systems. As with all large systems, the Group's information systems may be vulnerable to a variety of interruptions due to events beyond its control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers, and other security issues. Information technology related operational disruption or security failures therefore expose the Group to a significant level of operational, reputational and financial loss risk, which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Operational integration of assets or businesses acquired by the Group involves costs and uncertainties and may not be successful.

The Group may, as part of its normal business, make selective acquisitions of businesses, assets and/or ownership stakes to strengthen and develop its existing activities. There may be substantial challenges or delays in integrating and adding value to the businesses or assets acquired or to be acquired by the Group. The costs of integration could be materially higher than budgeted and the Group may fail to realise synergies expected from such acquisitions. The challenges presented by integrating new businesses or assets may be greater in emerging markets as a result of cultural and linguistic difficulties. Moreover, realising the expected synergies may take longer than expected. Material costs or delays in connection with the integration of the operations that the Group acquires or the inability to realise any expected synergies from those acquisitions could have a material adverse effect on the Group's business, financial condition and results of operations.

Lack of full control of key operations subjects the Group to business decisions of third-party partners

Reflecting the historical development of the Group, and in part, the Group's aim to either retain the involvement of local business groups and/or to mitigate the risk of entering new markets, the Group owns controlling interests in some main operations while others are owned in partnership with other third-party brewers or investors in which the Group has a 50 per cent. interest or less. Disagreements with joint venture partners have previously resulted in the termination of agreements and led to litigation and arbitration. The shareholder approval requirements of a joint venture may also limit the Group's flexibility. In addition, under certain circumstances, the Group and its joint venture partners may elect to unwind operations or buy out the interests of one another, which could be costly and disruptive to the Group's business. Any of the above could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group is exposed to the risk of increased interest rates

A proportion of the Group's gross debt is at floating interest rates. Accordingly, the Group has significant exposure to changes in interest rates. An increase in interest rates could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group's inability to recruit and retain sufficient qualified personnel or the loss of the Group's management team or key personnel could negatively impact the Group

Certain aspects of the Group's business depend upon highly-skilled employees. The Group devotes considerable resources to recruiting and developing such individuals and encouraging such individuals to remain employed by the Group. While management believes that it has been successful in securing the loyalty of its key employees, it is possible that, in the future, the Group may experience personnel changes and may have difficulty attracting and retaining sufficient numbers of skilled employees. In addition, the Group is managed by a relatively small number of senior management and key personnel, many of whom have extensive knowledge and experience with the Group's business, products and services and would be costly and possibly difficult to replace. The Group's inability to recruit sufficient qualified personnel or any loss or interruption of the services of the Group's management team or key personnel, could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Pricing pressure and grey market imports or parallel imports may negatively impact the Group's results of operations

As a result of differential margins and rates of duty levied on beer and other beverages in individual countries, cross-border imports are a factor affecting both the volume of beer and other beverages purchased in certain countries and the price of beer and other beverages which the market can support in those countries. Pricing pressure resulting from grey market imports or parallel imports may lead to a reduction in margins and could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Labour disputes may cause work stoppages, strikes and disruptions

The success of the Group depends upon maintaining good relations with its workforce. Restructurings to lower production costs, improve efficiency, exploit synergies and cope with the demands of a changing market could harm the Group's employee relations and result in labour disputes, including work stoppages, strikes and disruptions, which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

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

Risks related to the structure of a particular issue of Notes

Notes subject to optional redemption by the Issuer

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

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

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

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

The regulation and reform of benchmarks may adversely affect the value of Notes referencing such benchmarks.

Regulation (EU) 2016/1011 (the "Benchmarks Regulation") was published in the Official Journal of the EU on 29 June 2016 and applied from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes referencing a benchmark, in particular, if the methodology or other terms of the relevant benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

The London Interbank Offered Rate ("LIBOR"), Euro Interbank Offered Rate ("EURIBOR") and other interest rates or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reform. Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. For example, on 27 July 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "FCA Announcement"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

Any changes to the administration of LIBOR or EURIBOR or the emergence of alternatives to LIBOR or EURIBOR as a result of these reforms, may cause LIBOR or EURIBOR to perform differently than in the past or to be discontinued, or there could be other consequences which cannot be predicted. The potential discontinuation of LIBOR or EURIBOR or changes to its administration could require changes to the way in which the Rate of Interest is calculated in respect of any Notes referencing or linked to LIBOR or EURIBOR. The development of alternatives to LIBOR or EURIBOR may result in Notes linked to or referencing LIBOR or EURIBOR performing differently than would otherwise have been the case if such alternatives to LIBOR or EURIBOR had not developed. Any such consequence could have a material adverse effect on the value of, and return on, any Notes referencing or linked to LIBOR or EURIBOR.

Floating Rate Notes – Benchmark Unavailability and Discontinuation

(i) Temporary unavailability of the Relevant Screen Page

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined the Terms and Conditions of the Notes provide that the Rate of Interest shall be determined by reference to the Relevant Screen Page (or its successor or replacement). In circumstances where the Original Reference Rate (as defined in the Terms and Conditions of the Notes) is discontinued, neither the Relevant Screen Page, nor any successor or replacement may be available.

Where the Relevant Screen Page is not available, and no successor or replacement for the Relevant Screen Page is available, the Terms and Conditions of the Notes provide for the Rate of Interest to be determined by the Calculation Agent by reference to quotations from banks communicated to the Calculation Agent.

Where such quotations are not available (as may be the case if the relevant banks are not submitting rates for the determination of such Original Reference Rate), the Rate of Interest may ultimately revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before the Original Reference Rate was discontinued. Uncertainty as to the continuation of the Original Reference Rate, the availability of quotes from reference banks, and the rate that would be applicable if the Original Reference Rate is discontinued may adversely affect the value of, and return on, the Floating Rate Notes.

(ii) Benchmark Events

Benchmark Events (as defined in Condition 5(k)) include (amongst other events) the permanent discontinuation of an Original Reference Rate, a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market or an announcement that an Original Reference Rate will be permanently discontinued in the future. If the Issuer determines that a Benchmark Event has occurred, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser (as defined in the Terms and Conditions of the Notes), as soon as reasonably practicable, to determine a Successor Rate or Alternative Rate (each as defined in the Terms and Conditions of the Notes) to be used in place of the Original Reference Rate. If a Benchmark Event occurs as a result of a public statement that the Original Reference Rate is no longer representative of its relevant underlying market, the Rate of Interest on the Notes may therefore cease to be determined by reference to the Original Reference Rate and instead be determined by reference to a Successor Rate or Alternative Rate, even if the Original Reference Rate continues to be published. Such rate may be lower than the Original Reference Rate for so long as that Original Reference Rate continues to be published, and the value of and return on the Notes may be adversely affected.

Furthermore, if a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser, the Terms and Conditions of the Notes provide that the Issuer may vary the Terms and Conditions of the Notes, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Terms and Conditions of the Notes also provide that an Adjustment Spread (as defined in the Terms and Conditions of the Notes) will be determined by the Independent Adviser to be applied to such Successor Rate or Alternative Rate.

The use of any Successor Rate or Alternative Rate and the application of an Adjustment Spread may result in the Notes linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate were to continue to apply in its current form.

(iii) Potential for a fixed rate return

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the Terms and Conditions of the Notes.

Where the Issuer is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser is unable to determine a Successor Rate or Alternative Rate before the next Interest Determination Date (as defined in the Terms and Conditions of the Notes), the Rate of Interest for the next succeeding Interest Accrual Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, or, where the Benchmark Event occurs before the first Interest Determination Date, the Rate of Interest will be the initial Rate of Interest.

Where the Issuer has been unable to appoint an Independent Adviser or, the Independent Adviser has failed to determine a Successor Rate or Alternative Rate in respect of any given Interest Accrual Period, the Issuer will continue to attempt to appoint an Independent Adviser in a timely manner before the next succeeding Interest Determination Date to determine a Successor Rate or Alternative Rate to apply the next succeeding and any subsequent Interest Accrual Periods, as necessary.

Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event is likely to result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

Due to the uncertainty concerning the availability of Successor Rate and Alternative Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

If the Issuer is unable to appoint an Independent Adviser or, the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the relevant Notes, the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, will continue to apply to maturity. This will result in the floating rate Notes, in effect, becoming fixed rate Notes.

(iv) ISDA Determination

Where ISDA Determination is specified as the manner in which the Rate of Interest in respect of floating rate Notes is to be determined, the Conditions provide that the Rate of Interest in respect of the Notes shall be determined by reference to the relevant Floating Rate Option in the 2006 ISDA Definitions. Where the Floating Rate Option specified is either LIBOR or EURIBOR Floating Rate Option, the Rate of Interest may be determined by reference to the relevant screen rate or the rate determined on the basis of quotations from certain banks. If either LIBOR or EURIBOR is permanently discontinued and the relevant screen rate or quotations from banks (as applicable) are not available, the operation of these provisions may lead to uncertainty as to the Rate of Interest that would be applicable, and may, adversely affect the value of, and return on, the floating rate Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Notes denominated in Renminbi are subject to additional risks

Set out below is a description of the principal risks which may be relevant to an investor in Notes denominated in Renminbi:

The Renminbi is not freely convertible. There are significant restrictions on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of Renminbi Notes

The Renminbi is not freely convertible at present. The government of the PRC (The “PRC Government”) continues to regulate conversion between the Renminbi and foreign currencies, despite significant reduction in control by it in recent years over routine foreign exchange transactions. These transactions are known as current account items. Subject to limited exceptions, there is currently no specific PRC regulation on the remittance of Renminbi into the PRC for settlement of capital account items. Foreign investors may only remit offshore Renminbi into the PRC for capital account purposes such as shareholders’ loan or capital contribution upon obtaining specific approvals from the relevant authorities on a case-by-case basis. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

There is no assurance that the PRC Government will continue to liberalise gradually control over crossborder remittance of Renminbi in the future, that any pilot schemes will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Notes and the Issuer’s ability to source Renminbi outside the PRC to service such Renminbi Notes

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that no new PRC regulations will be promulgated or the Settlement Agreement on the Clearing of Renminbi Business will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service the Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available in certain circumstances as described in the Notes, the Issuer can make payments under the Notes in U.S. Dollars.

Payments for Notes denominated in Renminbi will only be made to investors in the manner specified for such Notes in the conditions of the Notes

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong. All payments to investors in respect of Notes denominated in Renminbi will be made solely (i) for so long as such Notes are represented by a temporary global Note or a permanent global Note, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing Euroclear and Clearstream, Luxembourg rules and procedures, or (ii) for so long as such Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations; the Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Noteholder Meetings

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

In addition, pursuant to Condition 5(k), if a Benchmark Event occurs, certain changes may be made to the interest calculation and related provisions of the Floating Rate Notes as well as the Agency Agreement in the circumstances and as otherwise set out in such Condition, without the requirement for the consent of the Noteholders.

European Monetary Union

It is possible that prior to the maturity of Notes issued under the Programme the euro may become the lawful currency of the Kingdom of Denmark. In that event (i) all amounts payable in respect of any Notes denominated in Danish kroner may become payable in euro; (ii) the law may allow or require such Notes to be re-denominated into euro and additional measures to be taken in respect of such Notes; and (iii) there may no longer be available published or displayed rates for deposits in Danish kroner used to determine the rates of interest on such Notes or changes in the way those rates are calculated, quoted and published or displayed. The introduction of the euro in any jurisdiction could also be accompanied by a volatile interest rate environment, which could adversely affect investors in the relevant Notes.

Change of law

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

Integral multiples of less than €100,000

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination of €100,000 plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

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

Enforcement of judgements issued by the courts of EU member states in Denmark

A final judgment of the courts of a European Union (“EU”) member state against a company incorporated in Denmark is enforceable in Denmark without re-examination of the merits, subject to and in accordance with the provisions of Regulation (EU) No. 1215/2012 of the European Parliament and Council on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters of 12 December 2012 (the “Brussels I-Regulation”) and the bilateral agreement in relation thereto between Denmark and the European Community of 19 October 2005 (and any protocol and accession convention in respect thereof) and Danish Act No. 1563 of 20 December 2006 (as amended) consolidated in Danish Consolidated Act No. 1282 of 14

November 2018, implementing the Brussels I-Regulation and such bilateral agreement in Denmark. If after 31 December 2020, the United Kingdom and the European Union or Denmark have not agreed and implemented arrangements providing for the continued enforcement in Denmark of final judgments of English courts, any English court final judgment against the Issuer in respect of legal proceedings in relation to the Notes or the Deed of Covenant may not be recognised or enforced in Denmark without re-examination by the Danish courts of the substantive matters adjudicated.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

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

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

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

Interest rate risks

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

Credit ratings may not reflect all risks

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

BASE PROSPECTUS SUPPLEMENT

If at any time the Issuer shall be required to prepare a prospectus supplement pursuant to Article 23 of the Prospectus Regulation, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market, shall constitute a base prospectus supplement as required by Article 23 of the Prospectus Regulation.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with

- (i) the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2018, together with the audit report thereon, which have been previously published or are published simultaneously with this Base Prospectus or filed with the CSSF and which are available at:

<https://www.carlsberggroup.com/media/29485/carlsberg-breweries-as-2018-annual-report.pdf>

- (ii) the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2019, together with the audit report thereon, which have been previously published or are published simultaneously with this Base Prospectus or filed with the CSSF and which are available at:

<https://www.carlsberggroup.com/media/36698/carlsberg-breweries-as-annual-report-2019.pdf>

- (iii) the Terms and Conditions set out on pages 25 to 54 of the base prospectus published by the Issuer dated 8 May 2019 available at:

https://www.carlsberggroup.com/media/36616/carlsberg-2019_prospectus.pdf

- (iv) the Terms and Conditions set out on pages 22 to 48 of the base prospectus published by the Issuer dated 8 June 2017 available at:

https://www.carlsberggroup.com/media/19334/final_carlsberg_prospectus_2017.pdf

- (v) the Terms and Conditions set out on pages 23 to 49 of the base prospectus published by the Issuer dated 19 May 2014 available at:

https://www.carlsberggroup.com/media/7047/a17969565-v037-carlsberg_prospectus_2014.pdf

- (vi) the Terms and Conditions set out on pages 21 to 48 of the base prospectus published by the Issuer dated 7 June 2012 available at:

https://www.carlsberggroup.com/media/19433/a14785599-v1-3-carlsberg_prospectus-2012.pdf

The specified pages of such documents shall be incorporated by reference in and form part of this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus. Those parts of the documents incorporated by reference in this Base Prospectus which are not specifically incorporated by reference in this Base Prospectus are either not relevant for prospective investors in the Notes or the relevant information is included elsewhere in this Base Prospectus.

Copies of each of the documents incorporated by reference in this Base Prospectus may be obtained without charge from www.carlsberggroup.com and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu). The content of websites or URLs referred to in this Base Prospectus do not form part of this Base Prospectus, except where that information has otherwise expressly been incorporated by reference into this Base Prospectus.

The table below sets out the relevant page references for the audited consolidated financial statements as of and for the financial years ended 31 December 2018 and 31 December 2019, respectively, as set out in the

Issuer's Annual Reports for these years, as available on the website listed above, in pdf form. The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019.

Audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2018

CARLSBERG BREWERIES A/S

Annual Report 2018

Carlsberg Breweries Group consolidated financial statements	Pages 21 - 86
Income Statement	Page 21
Statement of comprehensive income	Page 21
Statement of financial position	Page 22
Statement of changes in equity	Page 23
Statement of cash flows	Page 24
Notes	Pages 25 - 87
Financial statements, Parent Company Carlsberg Breweries A/S	Pages 88 - 102
Income Statement	Page 88
Statement of comprehensive income	Page 88
Statement of financial position	Page 89
Statement of changes in equity	Page 90
Statement of cash flows	Page 90
Notes	Pages 91 - 102
Company information	Page 18
Management statement	Page 103
The independent auditors' report	Pages 104 - 107

Audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2019

CARLSBERG BREWERIES A/S

Annual Report 2019

Carlsberg Breweries Group consolidated financial statements	Pages 22 - 86
Income Statement	Page 22
Statement of comprehensive income	Page 22
Statement of financial position	Page 23
Statement of changes in equity	Page 24
Statement of cash flows	Page 25
Notes	Pages 26 - 86
Financial statements, Parent Company Carlsberg Breweries A/S	Pages 88 - 102

Income Statement.....	Page 88
Statement of comprehensive income	Page 88
Statement of financial position.....	Page89
Statement of changes in equity.....	Page 90
Statement of cash flows	Page 90
Notes	Pages 91 - 102
Management statement.....	Page 103
The independent auditors' report.....	Pages 104 - 107

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued pursuant to an Agency Agreement dated 15 May 2020 (as amended or supplemented as at the Issue Date, the “Agency Agreement”) between the Issuer, BNP Paribas Securities Services, Luxembourg as fiscal agent and the other agents named in it and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the “Deed of Covenant”) dated 7 June 2012 executed by the Issuer in relation to the Notes. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Fiscal Agent”, the “Paying Agents” (which expression shall include the Fiscal Agent), the “Registrar”, the “Transfer Agents” and the “Calculation Agent(s)”. The Noteholders (as defined below), the holders of the interest coupons (the “Coupons”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these Terms and Conditions (the “Conditions”), “Tranche” means Notes which are identical in all respects.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

References herein to the “RMB Notes” are to Notes denominated in Renminbi. References herein to “Renminbi”, “RMB” and “CNY” are to the lawful currency of the People’s Republic of China (the “PRC”) which, for the purposes of the Conditions, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan.

1 Form, Denomination and Title

The Notes are issued in bearer form (“Bearer Notes”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“Registered Notes”) or in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or the United Kingdom or offered to the public in a Member State of the European Economic Area or the United Kingdom in circumstances which require the publication of a prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“Certificates”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “Register”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “Noteholder” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be). Capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) Exchange Free of Charge

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3 Status

The Notes and Coupons relating to them constitute direct, unsubordinated, unconditional and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least

equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Fiscal Agency Agreement) the Issuer will not, and will ensure that none of its Principal Subsidiaries (as defined in Condition 10) will create, or have outstanding any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure (a) any Relevant Indebtedness, or (b) any guarantee or indemnity in respect of any Relevant Indebtedness without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of the Noteholders.

In these Conditions, “Relevant Indebtedness” means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market.

5 Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). In the case of RMB Notes, if any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding Business Day.

(b) Interest on Floating Rate Notes

(i) Interest Payment Dates:

Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention:

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day

Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) ***Rate of Interest for Floating Rate Notes:***

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes:

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes:

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below and in Condition 5(k), be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (y) if the Relevant Screen Page is not available or, if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if subparagraph (x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen

Page, in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to the Calculation Agent at the request of the Issuer by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Issuer it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Linear Interpolation

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), one of which shall be

determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(c) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(e) Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding:

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), all figures shall be rounded to seven significant figures (with halves being rounded up) and all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

(f) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the

Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(g) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Change of Control Redemption Amounts

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Change of Control Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Change of Control Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of a currency other than euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the TARGET system is operating (a “TARGET Business Day”)

- (iii) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong and/or
- (iv) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “Calculation Period”):

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

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

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30

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

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

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30

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

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

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30

- (vii) if “Actual/Actual – ICMA” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date unless otherwise specified hereon.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Issuer or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

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

(i) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(j) Step Up Event or Step Down Event

- (i) If the Step Up Event or the Step Down Event is specified hereon, the Rate of Interest payable on the Notes will be subject to adjustment from time to time following the occurrence of a Step Up Event or a Step Down Event (each such adjustment an Interest Rate Adjustment (as defined below)). Any Interest Rate Adjustment shall be effective from and including the Interest Payment Date immediately following the date of the Step Up Event or the Step Down Event (as applicable).
- (ii) In relation to an Interest Period, a Step Up Event or Step Down Event will only result in an Interest Rate Adjustment on the immediately following Interest Payment Date to the extent that, in the case of a Step Up Event, no Step Down Event, and in the case of a Step Down Event, no Step Up Event, subsequently occurs during such Interest Period.
- (iii) Notwithstanding any other provision herein, (i) there shall be no Interest Rate Adjustment at any time after notice of redemption has been given by the Issuer pursuant to Condition 6(c) or (d); and (ii) at no time during the term of the Notes shall the Rate of Interest payable on the Notes be less than the Initial Rate of Interest or more than the Initial Rate of Interest plus the applicable Step Up Margin specified hereon.
- (iv) The Issuer will cause each Step Up Event and each Step Down Event, and the related Interest Rate Adjustment, to be notified to the Fiscal Agent and notice thereof to be given to the Noteholders in accordance with Condition 14 as soon as possible after the occurrence of the Step Up Event or the Step Down Event but in no event later than the tenth Business Day (as defined in Condition 5(h)) after such event.

- (v) The first public announcement by a Rating Agency of a Rating Decrease (as defined below) shall constitute a step up event (a “Downgrade Step Up Event”) triggering an Interest Rate Adjustment.
- (vi) In the event that a Rating Agency fails or ceases to assign a solicited Rating (other than where such Rating Agency ceases to provide rating services generally to issuers and investors), a step up event (a “No Rating Step Up Event”) shall be deemed to have occurred as from the date upon which a solicited Rating ceases or fails to be assigned provided that, for so long as (i) such Rating Agency maintains an unsolicited rating of the Issuer’s senior unsecured long-term debt and (ii) another Rating Agency maintains a solicited Rating, such unsolicited rating shall constitute a solicited Rating for the purposes of this Condition until such time as there are solicited Ratings from two Rating Agencies.
- (vii) For so long as any of the Notes are outstanding, the Issuer shall use all reasonable efforts to ensure the existence of a solicited Rating from at least one Rating Agency (as defined below).
- (viii) If the rating designations employed by the Rating Agency are changed from those which are described herein, the Issuer shall determine, with the agreement of the Fiscal Agent (not to be unreasonably withheld or delayed), the rating designations of the Rating Agency as are most equivalent to the prior rating designations of the Rating Agency, and this Condition shall be construed accordingly.

In these Conditions:

“Initial Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Interest Rate Adjustment” means that the Rate of Interest payable under the Notes shall be equal to:

- (i) the Initial Rate of Interest plus the applicable Step Up Margin specified hereon, in the case of a Step Up Event; and
- (ii) the Initial Rate of Interest, in the case of a Step Down Event.

“Investment Grade Rating” means a rating of Baa3 in the case of Moody’s (as defined below), or BBB- in the case of Fitch (as defined below), or their equivalent for the time being in the case of another Rating Agency, or better.

“Rating” means the rating of the Issuer’s senior unsecured long-term debt.

“Rating Agency” means Moody’s Investors Service, Inc. (“Moody’s”) or Fitch Ratings Ltd. (“Fitch”) and/or any rating agency of equivalent international standing and, in each case, their respective successors or affiliates and “Rating Agencies” means both of them.

“Rating Decrease” means a decrease in the solicited Rating to a level below the Investment Grade Rating.

“Step Down Event” means, where the rate of interest has previously been subject to an Interest Rate Adjustment following a Step Up Event, the first public announcement by either a Rating Agency or two Rating Agencies that it has, or they have, assigned a solicited Rating equal to or higher than the Investment Grade Rating such that two Rating Agencies have assigned a solicited Rating equal to or higher than the Investment Grade Rating.

“Step Up Event” means a No Rating Step Up Event or a Downgrade Step Up Event.

(k) Benchmark Discontinuation

(i) *Independent Adviser*

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(k)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(k)(iv)). In making such determination, the Independent Adviser appointed pursuant to this Condition 5(k) shall act in good faith and in a commercially reasonable manner as an expert. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5(k).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(k) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 5(k).

(ii) *Successor Rate or Alternative Rate*

If the Independent Adviser determines that:

- (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(k)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(k)).

(iii) *Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(k) and the Independent Adviser determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(k)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5(k)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5(k) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent, the Calculation Agent and the Paying Agents a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(k); and
- (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Fiscal Agent shall display such certificate at its offices, for inspection by the Noteholders at all reasonable times during normal business hours. Each of the Fiscal Agent, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Fiscal Agent’s or the Calculation Agent’s or the Paying Agents’ ability to rely on such certificate as aforesaid) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 5(k)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 5(b)(iii)(B)(y) and (z) will continue to apply unless and until a Benchmark Event has occurred.

(vii) Definitions:

As used in this Condition 5(k):

“Adjustment Spread” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (ii) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied)
- (iii) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(k)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

“Benchmark Amendments” has the meaning given to it in Condition 5(k)(iv).

“Benchmark Event” means:

- (1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (5) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (6) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

provided that in the case of sub-paragraphs (2) to (5), the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate or the date so specified with effect from which the Original Reference Rate will no longer be representative of its relevant underlying, as the case may be, and not the date of the relevant public statement.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(k)(i).

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

6 Redemption, Purchase and Options

(a) Final Redemption

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which shall, other than in the case of a Zero Coupon Note, be its nominal amount and, in the case of a Zero Coupon Note, shall not be less than its nominal amount).

(b) Early Redemption

(i) *Zero Coupon Notes*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) Redemption for Taxation Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Denmark or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

(d) Redemption at the Option of the Issuer

- (i) If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date (that is, if the Issuer Maturity Par Call is specified to be applicable hereon, not more than 90 days prior to the Maturity Date). Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to but excluding the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at

least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

- (ii) If Make Whole Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice (or such other notice period as may be specified hereon) to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption (the "Make Whole Optional Redemption Date")), redeem all, but not some only, of the Notes at the Make Whole Redemption Price together with interest accrued to but excluding the Make Whole Optional Redemption Date.

In this Condition:

"Determination Agent" means a financial adviser or bank which is independent of the Issuer appointed by the Issuer for the purpose of determining the Make Whole Redemption Price;

"Make Whole Redemption Price" means, in respect of each Note, (a) the nominal amount of such Note or, if this is higher, (b) the sum of the then present values of the remaining scheduled payments of principal and interest discounted to the Make Whole Optional Redemption Date on an annual basis (based on the Day Count Fraction specified hereon) at the Reference Dealer Rate (as defined below) plus any applicable Margin specified hereon, in each case as determined by the Issuer;

"Reference Dealers" means those Reference Dealers specified hereon; and

"Reference Dealer Rate" means with respect to the Reference Dealers and the Make Whole Optional Redemption Date, the average of the five quotations of the mid-market annual yield to maturity of the Reference Stock specified hereon or, if the Reference Stock is no longer outstanding, a similar security in the reasonable judgement of the Reference Dealers, at the Determination Time specified hereon on the Determination Date specified hereon quoted in writing to the Determination Agent by the Reference Dealers.

- (iii) The Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders redeem, all or, if so provided, some, of the Notes at any time if, prior to the date the relevant notice is given, 85 per cent. or more of the nominal amount of the Notes originally issued have been purchased or redeemed by the Issuer or any of its subsidiaries and cancelled prior to the date the relevant notice is given. Any such redemption of Notes shall be at their Final Redemption Amount together with interest accrued to but excluding the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) Redemption at the Option of Noteholders

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s)

at its Optional Redemption Amount together with interest accrued to but excluding the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (“Exercise Notice”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Redemption following Change of Control

If Change of Control Put Event is specified hereon and if, at any time while any Note remains outstanding, a Change of Control Put Event (as defined below) occurs, then the holder of each Note will have the option (the “Change of Control Put Option”) (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer has given notice of its intention to redeem the Notes under Condition 6(c), 6(d) or 6(g)) to require the Issuer to redeem or, at the Issuer's option, to purchase (or procure the purchase of) that Note on the Optional Redemption Date, at the Change of Control Redemption Amount specified hereon together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date.

A “Change of Control Put Event” will be deemed to occur if:

- (i) a Change of Control occurs and, if at the start of the Change of Control Period the Notes or the Issuer have a solicited rating from any Rating Agency, a Rating Downgrade in respect of that Change of Control occurs and continues within such Change of Control Period; or
- (ii) a Change of Control occurs and, on the occurrence of the Change of Control, none of the Notes or the Issuer have a solicited rating from any Rating Agency and the Notes or the Issuer are not assigned an Investment Grade Rating by a Rating Agency within the Change of Control Period,

A “Change of Control” shall be deemed to have occurred at each time (whether or not approved by the Board of Directors of the Issuer) that any person or persons acting in concert or any person or persons acting on behalf of any such person(s) (other than Carlsberg Fondet (a foundation under the laws of Denmark, with CVR no. 60223513 and address at H.C. Andersens Boulevard 35, 1553 Copenhagen V, Denmark)) (the “Relevant Person(s)”) at any time directly or indirectly come(s) to beneficially own or acquire(s) or reach(es) final unconditional agreement conferring a right, or imposing an obligation, to acquire such number of the shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer, provided that a Change of Control shall be deemed not to have occurred if all or substantially all of the shareholders of the Relevant Person(s) are, or immediately prior to the event which would otherwise have constituted a Change of Control were, the direct or indirect shareholders of the Issuer with the same (or substantially the same) pro rata interest in the share capital of the Relevant Person(s) as such shareholders have, or as the case may be, had in the share capital of the Issuer.

“Change of Control Period” means the period (i) commencing on the date that is the earlier of (A) the date of the first public announcement of the relevant Change of Control and (B) the date of the earliest Potential Change of Control Announcement (as defined below) provided that this results in a Change of Control within 180 days, if any, and (ii) ending on the date which is 90 days after the date on which the relevant Change of Control occurs (such 90th day, the “Initial Longstop Date”); provided that, unless any other Rating Agency has on or prior to the Initial Longstop Date effected a Rating

Downgrade in respect of a solicited rating of the Notes or the Issuer, if a Rating Agency publicly announces, at any time prior to the Initial Longstop Date, that it has placed its solicited rating of the Notes or the Issuer under consideration for negative rating review as a result of the relevant public announcement of the Change of Control or Potential Change of Control Announcement, the Change of Control Period shall be extended to the date which falls 60 days after the Initial Longstop Date.

A “Rating Downgrade” shall be deemed to have occurred in respect of a Change of Control if, within the Change of Control Period, (i) a solicited rating previously assigned to the Notes or the Issuer by any Rating Agency is withdrawn and not reinstated to an Investment Grade Rating by such Rating Agency or (ii) a solicited rating previously assigned to the Notes or the Issuer by any Rating Agency is changed from an Investment Grade Rating to a non-investment grade rating (Ba1, or its equivalent for the time being, or worse) and is not raised again to an Investment Grade Rating or (iii) if a solicited rating previously assigned to the Notes or the Issuer by any Rating Agency was below an Investment Grade Rating (as described above), the rating is lowered by at least one full rating notch (for example, from Ba1 to Ba2 or their respective equivalents) and is not raised again to its earlier credit rating or better by such Rating Agency or (iv) a Negative Rating Event occurs; provided that a Rating Downgrade otherwise arising by virtue of a particular change in a solicited rating shall be deemed not to have occurred in respect of a particular Change of Control if the relevant Rating Agency does not confirm in writing to the Issuer or publicly announce or publicly confirm that the Rating Downgrade was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control or Potential Change of Control Announcement.

“Negative Rating Event” shall be deemed to have occurred if at such time there is no solicited rating assigned to the Notes or the Issuer by a Rating Agency and either (i) the Issuer does not, either prior to, or not later than 21 days after, the occurrence of the Change of Control seek, and thereafter throughout the Change of Control Period use all reasonable endeavours to obtain, a rating of the Notes or any other unsecured and unsubordinated debt of the Issuer or (ii) the Issuer does so seek and use such endeavours, it is unable to obtain such a rating of at least investment grade by the end of the Change of Control Period.

“Potential Change of Control Announcement” means any public announcement or statement by the Issuer, any actual or potential bidder or any designated advisor thereto relating to any specific and near-term potential Change of Control (whereby “near-term” shall mean that such potential Change of Control is reasonably likely to occur, or is publicly stated by the Issuer, any such actual or potential bidder or any such designated advisor to be intended to occur, within three months of the date of such announcement or statement).

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer shall give notice (a “Put Event Notice”) to the Noteholders in accordance with Condition 14 specifying the nature of the Change of Control Put Event and the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Condition.

To exercise the Change of Control Put Option, the holder must follow the procedure set out in Condition 6(e).

(g) Redemption at the option of the Issuer (Issuer Maturity Par Call)

If Issuer Maturity Par Call is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified hereon), redeem the Notes in whole, but not in part, at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at the

Final Redemption Amount specified hereon together with interest accrued (if any) to (but excluding) the date fixed for redemption.

(h) Purchases

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(i) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the Notes (in the case of payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified in Condition 7(f)(v)), as the case may be:

- (A) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
- (B) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

In this paragraph, “Bank” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) Registered Notes

- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business (i) on the fifteenth day before the due date for payment thereof or (ii) in the case of Renminbi, on the fifth day before the due date for payment thereof (the “Record Date”). Payments of interest on each Registered Note shall be made:
 - (A) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of

interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and

- (B) in the case of Renminbi, by transfer to the registered account of the Noteholder. In this Condition 7(b), “registered account” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth Business Day before the due date for payment.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments Subject to Laws

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) Unmatured Coupons and unexchanged Talons

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes), such Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, or Change of Control Redemption Amount as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note which is a Floating Rate Note or Dual Currency Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, a Talon forming part of such Coupon sheet (where applicable to the relevant Series of Notes) may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) Non-Business Days

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Financial Centres" hereon and:

- (i) (in the case of a payment in a currency other than euro or Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
- (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Kingdom of Denmark or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Kingdom of Denmark other than the mere holding of the Note or Coupon; or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.

As used in these Conditions, “Relevant Date” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Change of Control Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition.

9 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (“Events of Default”) occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (a) **Non-payment:** the Issuer fails, for a period of fourteen days or more (in the case of interest) or seven days or more (in the case of principal), to pay interest or principal due in respect of any of the Notes; or
- (b) **Cross Default:**
 - (i) any other present or future indebtedness for borrowed money (other than indebtedness owed to another member of the Group) of the Issuer or any of its Principal Subsidiaries becomes or is declared due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or
 - (ii) any such indebtedness is not paid when due or, as the case may be within any originally applicable grace period, or
 - (iii) the Issuer or any of its Principal Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any monies borrowed or raised (other than a failure to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised by one member of the Group from another member of the Group),

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (b) have occurred equals or exceeds Euro 100,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the Euro as quoted by any leading bank on the day on which this paragraph operates); or

- (c) **Enforcement Proceedings:** a distress or execution or other similar legal process is levied or enforced or petitioned for and taken out upon or against any substantial part of the property, assets or revenues of the Issuer or any Principal Subsidiary and is not discharged or stayed within 60 days of having been so levied, enforced or sued out (other than any distress or execution or other similar legal process which is so levied, enforced or sued out by one member of the Group against another member of the Group); or
- (d) **Insolvency:** the Issuer or any Principal Subsidiary becomes, is adjudicated or found to be, unable to pay its debts as they mature, or applies for, or consents to, or suffers the appointment of, a liquidator or receiver of the whole or any substantial part of its undertaking, property, assets or revenues or takes any proceeding under any law for a readjustment or deferment of its obligations or any substantial part thereof or stops or threatens to stop payment or is wound up or dissolved on grounds of insolvency or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors; or
- (e) **Winding-up:** an order is made or an effective resolution is passed for winding up the Issuer or any Principal Subsidiary or the Issuer or any Principal Subsidiary ceases or threatens to cease to carry on all or substantially all of its business, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, solvent liquidation, merger or consolidation (i) on terms approved by an Extraordinary Resolution of the Noteholders or (ii) in the case of a Principal

Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are transferred to or otherwise vested in the Issuer or another of its Principal Subsidiaries or (iii) in the case of a Permitted Merger or (iv) in the circumstances referred to in Condition 11(c) or (v) in the case of a Principal Subsidiary, pursuant to a voluntary solvent winding-up where surplus assets are available for distribution; or

- (f) **Breach of other obligations:** default is made by the Issuer in the performance or observance of any obligation, Condition or provision binding on it under the Notes (other than any obligation for the payment of any principal moneys or interest in respect of the Notes) and, if capable of remedy, such default shall continue for 30 days after written notice thereof requiring the same to be remedied has been given to the Fiscal Agent at its specified office by any Noteholder; or
- (g) **Analogous Events:** any event occurs which under the laws of the Kingdom of Denmark or any other applicable jurisdiction has an effect similar to any of the events referred to in paragraphs (c), (d) or (e) above.

For the purposes of these Conditions:

“Group” means the Issuer and its Subsidiaries.

“Permitted Merger” means a reconstruction, amalgamation, merger or consolidation with or transfer of assets and/or activities to Carlsberg A/S whereby Carlsberg A/S expressly and effectively by law, or by operation of law, assumes all of the obligations of the Issuer under the Notes, the Coupons and the Talons provided that (i) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Notes, Coupons, Talons and Deed of Covenant represent valid, legally binding and enforceable obligations of Carlsberg A/S are taken, fulfilled and done and are in full force and effect, (ii) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in Denmark and in England as to the fulfilment of the preceding condition of this paragraph and (iii) any solicited credit rating assigned to the Notes will remain the same or be improved when Carlsberg A/S assumes the obligations of the Issuer in respect of the Notes or, in the event that there is no solicited rating in respect of the Notes but there is a solicited rating in respect of the senior unsecured long term debt of the Issuer, the rating of the senior long term debt of Carlsberg A/S will be equal to or higher than the rating of the senior long term debt of the Issuer when Carlsberg A/S assumes the obligations of the Issuer under the Notes and, in each case, this has been confirmed in writing by each rating agency which has assigned a solicited rating to the Notes or, as the case may be, the senior long term debt of the Issuer.

“Principal Subsidiary” at any time means a Subsidiary;

- (1) whose total consolidated assets or consolidated turnover attributable to the Issuer represents not less than 10 per cent. of the consolidated total assets or, as the case may be, consolidated turnover of the Issuer and its consolidated subsidiaries taken as a whole, all as calculated by reference to the then latest consolidated audited accounts of the Issuer and its consolidated subsidiaries; or
- (2) to which is transferred the whole or substantially the whole of the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary (provided that the transferee shall cease to be a Principal Subsidiary upon the next audited accounts of the Issuer and its Subsidiaries becoming available if those accounts show that it is not a Principal Subsidiary within the terms of paragraph (1) above).

A certificate of two authorised signatories of the Issuer that in their opinion a Subsidiary is or is not or was or was not during a particular period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer and the Noteholders; and

“Subsidiary” means any entity (whether or not now existing) more than 50 per cent. of whose issued equity capital (or equivalent) or voting rights in relation thereto is then held or beneficially owned or controlled, or the composition of whose board of directors is then controlled, directly or indirectly, by the Issuer and/or any one or more of its Subsidiaries.

11 Meeting of Noteholders, Modifications and Substitution

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, or the Change of Control Redemption Amounts including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of two or more persons holding or representing not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) Modification of Agency Agreement

Without prejudice to Condition 5(k), the Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

(c) Substitution

The Issuer may, without the consent of the Noteholders or the Couponholders, substitute Carlsberg A/S for itself as principal debtor under the Notes, the Coupons and the Talons (the “Substitute”). The substitution shall be made by a deed poll (the “Deed Poll”), to be substantially in the form scheduled to the Agency Agreement as Schedule 9, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder and Couponholder, on an after tax basis, against any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the jurisdiction of the country of residence of the Substitute for tax purposes and, if different, of its incorporation with respect to any Note, Coupon, Talon or the Deed of Covenant and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes, Coupons, Talons and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute have been taken, fulfilled and done and are in full force and effect, (iii) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (iv) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in Denmark and in England as to the fulfilment of the preceding conditions of this paragraph (c) and the other matters specified in the Deed Poll, (v) any solicited credit rating assigned to the Notes will remain the same or be improved when the Substitute replaces and substitutes the Issuer in respect of the Notes or, in the event that there is no solicited rating in respect of the Notes but there is a solicited rating in respect of the senior unsecured long term debt of the Issuer, such rating will remain the same or be improved when the Substitute replaces and substitutes the Issuer in respect of the Notes and, in each case, this has been confirmed in writing by each rating agency which has assigned a solicited rating to the Notes or, as the case may be, the senior long term debt of the Issuer and (vi) the Issuer shall have given at least 14 days’ prior notice of such substitution to the Noteholders, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Noteholders, shall be available for inspection at the specified office of each of the Paying Agents. References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the Deed Poll.

12 Replacement of Notes, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

13 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to “Issue Date” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

14 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, so long as the Notes are listed on the official list of the Luxembourg Stock Exchange, published on the website of the Luxembourg Stock Exchange (www.bourse.lu). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

15 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note or Coupon is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note or Coupon that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note or Coupon, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or Coupon or any other judgment or order.

16 Contracts (Rights of Third Parties) Act 1999

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

17 Governing Law and Jurisdiction

(a) Governing Law

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

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons (“Proceedings”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

The Issuer irrevocably appoints Carlsberg UK Limited of 140 Bridge Street, Northampton NN1 1PZ, United Kingdom as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.

OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1 Initial Issue of Notes

If the Global Notes or Global Certificates are stated in the applicable Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper 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.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depository.

If the Global Note is a CGN, upon the initial deposit of a Global Note with a common depository for Euroclear and Clearstream, Luxembourg (the “Common Depository”) or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

2 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other permitted clearing system (“Alternative Clearing System”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

3 Exchange

3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Final Terms indicates that such Global Note is issued in compliance with TEFRA C or in a transaction to which TEFRA is not applicable (as to which, see “General Description of the Programme — Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

3.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes or, in the case of paragraph 3.4 below, Registered Notes:

- (i) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Note for Registered Notes and
- (ii) (a) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or (b) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3.3 Permanent Global Certificates

If the Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions (i) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (ii) for Definitive Notes (a) if principal in respect of any Notes is not paid when due.

3.5 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be or if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered pro rata in the records of the relevant clearing system. In this Base Prospectus, "Definitive Notes" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.6 Exchange Date

"Exchange Date" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

4 Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is an overview of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with TEFRA D before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. If the Global Note is a NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered pro rata in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 7(h) (Non-Business Days).

Each payment in respect of Registered Notes whilst in global form will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means Monday to Friday inclusive except 25 December and 1 January.

4.2 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 9).

4.3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4.4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

4.5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN or where the Global Certificate is held under the NSS, presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is a NGN, the Issuer shall procure that details of such exercise shall be entered pro rata in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

4.8 NGN nominal amount

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

4.9 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of a Deed of Covenant executed as a deed by the Issuer on 7 June 2012 to come into effect in relation to the

whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

4.10 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note, except that so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market and the rules of that exchange so require, notices shall also be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger Wort).

5 Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

- (a) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an "Electronic Consent" as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by (a) accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or

nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Notes will be applied by the Issuer for general corporate purposes. If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

CARLSBERG BREWERIES A/S

Introduction

Carlsberg Breweries A/S (“Carlsberg Breweries”, the “Company” or the “Issuer” and, together with its subsidiaries taken as a whole, the “Group”) was established on 1 July 2000 as a Danish registered limited liability company with registered number 25508343 pursuant to an agreement dated 31 May 2000 between Carlsberg A/S (“Carlsberg” and, together with its subsidiaries taken as a whole, the “Carlsberg Group”) and Orkla ASA. The Issuer is registered in Copenhagen and operates under Danish law. The Issuer has been a wholly owned subsidiary of Carlsberg since February 2004. The Issuer’s registered office is at 1 J.C. Jacobsens Gade, 1799 Copenhagen V, Denmark and its telephone number is +45 33273300.

Carlsberg Breweries is the principal holding company for the domestic and international brewing business of the Carlsberg Group. The Carlsberg Group is one of the world’s major international brewing groups, with strong market positions in Western Europe, Asia and Eastern Europe (Sources: GlobalData Global Beer Trends 2018). In the following section, comments regarding market position are all referring to volume. Market position and market share data are based on GlobalData Global Beer Trends 2018 or internal estimates for markets where GlobalData data is not available.

The Group’s core business is the production, marketing, distribution and sale of beer. The Group’s beer brand portfolio consists of a combination of core beer brands (such as the international brands Carlsberg and Tuborg, and strong local power brands, such as Ringnes, Feldschlösschen, Kronenbourg, Baltika, Lvivske, Beerlao, Chongqing and Wusu), craft & speciality beer brands (such as 1664 Blanc, Grimbergen, Nya Carnegie and Jacobsen) and alcohol-free brews (such as Carlsberg 0.0, Carlsberg Nordic, Okocim 0.0 and Baltika 0). The Group markets its products in more than 150 markets worldwide and has brewing operations in 30 countries.

The Group’s global operations are diversified among the markets of Western Europe, Asia and Eastern Europe. In Western Europe, Carlsberg has strong market positions in Denmark, Finland, Norway, Sweden, France, Switzerland, the Baltics, northern Germany, Bulgaria, Greece and Portugal in addition to positions in the United Kingdom, Italy, Poland, Croatia and Serbia. In Asia, the Group holds a leading position in western China, Laos, Nepal and Hong Kong by volume and a number two position in Malaysia and Singapore. In India, the Group holds a number three market position by volume, while it is number four in Vietnam, Cambodia and Myanmar. In Eastern Europe, the Group has number one and two positions in Russia, Ukraine, Belarus, Azerbaijan and Kazakhstan by volume.

In order to maximise the effectiveness of the Group’s beer product portfolio and to lower unit distribution costs, Carlsberg Breweries also produces, markets, sells and distributes soft drinks, mineral water, sports/energy drinks, cider and other alcoholic and alcohol-free beverages in certain markets where this is considered an advantage. The Group has exclusive bottling agreements with The Coca-Cola Company in Denmark and Finland and PepsiCo Inc. in Norway, Sweden, Laos and Cambodia.

In 2019, 83 per cent. of the Group’s Total Volume (134.9 million hl) was generated from beer and 17 per cent. of the Group’s Total Volume was generated from soft drinks, mineral water and other non-beer beverages.

Total Volume refers to the Group’s sale of beverages in consolidated entities and sale of the Group’s products under licence agreements.

In 2019, Total Volumes increased organically by 0.1 per cent., with growth in Asia being offset by lower volumes in Western Europe and Eastern Europe. Price/mix was +3 per cent., and revenue grew organically by

3.2 per cent. Operating profit increased organically by 10.7 per cent. In reported terms, operating profit grew by 12.3 per cent., mainly due to a positive impact from currencies.

Carlsberg Breweries holds ratings from Moody's and Fitch (since January 2006). The current ratings are BBB+, stable outlook (Fitch) and Baa2, stable outlook (Moody's).

History

The Carlsberg Group was founded in 1847 by J.C. Jacobsen. His brewery, just outside the city ramparts of Copenhagen, pioneered steam brewing, refrigeration techniques and, most significantly, the propagation of a single yeast strain. J.C. Jacobsen demanded quality above all else, and his innovations in the art of making beer laid the cornerstone of the modern beer-brewing industry. Today, almost all of the main lager products in mature markets derive their yeast from the strain developed by Carlsberg (*Saccharomyces Carlsbergensis*).

In 1970, Carlsberg merged with the second largest Danish brewery group, Tuborgs Bryggerier A/S, founded in 1873.

During the early 2000s, the Carlsberg Group increasingly focused its resources on its core business of brewing, marketing, distribution and sale of beer, actively selling off shareholdings in non-core businesses. Over the same period, the Carlsberg Group invested in its existing brewing business, acquiring a significant presence in countries where its activities historically had been relatively limited.

In May 2000, the Carlsberg Group announced the formation of the Carlsberg Breweries joint venture with Orkla. Carlsberg Breweries consisted of the beverage operations of the Carlsberg Group and Orkla, with Orkla contributing its leading positions in Norway and Sweden and its 50 per cent. shareholding in Baltic Beverages Holding AB ("BBH"). Carlsberg owned 60 per cent. of Carlsberg Breweries and Orkla owned the remaining 40 per cent.

In February 2004, Carlsberg announced the acquisition of Orkla's holding in Carlsberg Breweries, which resulted in Carlsberg Breweries and its 50 per cent. shareholding in BBH becoming wholly-owned by the Carlsberg Group.

In 2008, Carlsberg and Heineken N.V. together acquired Scottish & Newcastle p.l.c. ("S&N"). As part of the transaction, Carlsberg acquired, among other things, the remaining 50 per cent. of BBH it did not already own and S&N's French business, including Brasseries Kronenbourg and the worldwide brand rights to Kronenbourg (excluding UK and Belgium, where the brand rights have been licensed to third parties).

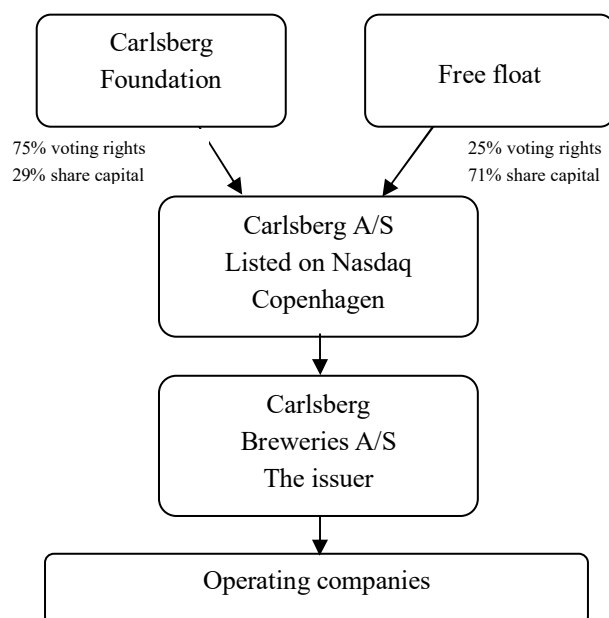
Since 2016, Carlsberg has carried out a number of smaller acquisitions in order to strengthen its core business. These include increasing the ownership of Wusu Beer Group in Xinjiang, China, to 100 per cent., acquiring the remaining 49 per cent. of Olympic Brewery in Greece; acquiring an additional 10.5 per cent. of Brewery Alivaria in Belarus, increasing our ownership share to 78 per cent.; acquiring 28.5 per cent. of the shares in Viacer, the holding company that controls Super Bock Group in Portugal (Viacer continues to be controlled by our partner and, consequently, Super Bock Group remains an associate. Following that transaction, the Carlsberg Group's direct and indirect ownership in Super Bock Group is 60 per cent.); acquiring the remaining 1.2 per cent. of the shares in Carlsberg Ukraine; and acquiring an additional 25 per cent. of Cambrew in Cambodia in 2018 and the remaining 25 per cent. in 2019, thereby taking the Group's ownership share to 100 per cent.

Group Structure

Carlsberg Breweries is the principal holding company for the domestic and international brewing business of the Carlsberg Group. The Issuer has been a wholly owned subsidiary of Carlsberg since February 2004.

Carlsberg Group's largest single shareholder is the Carlsberg Foundation, one of Denmark's largest charitable organisations, which is required by its charter to hold at least 51 per cent. of the voting rights in Carlsberg A/S. As at 31 December 2019, the Carlsberg Foundation held 29 per cent. of the share capital of Carlsberg A/S, equivalent to 75 per cent. of the voting rights. The remaining shares are freely traded.

The following is a simplified chart showing the position of the Issuer in the Carlsberg Group and the Issuer's relationship with its main operating subsidiaries:



Competitive Strengths

Based on research reports prepared on the global beer market and the Group's internal estimates, management believes that the key strengths that will help the Group deliver on its strategic choices include the following:

- The Group has a number of leading market positions in Western Europe, Asia and Eastern Europe by volume. 73 per cent. of the Group's volume is sold in 24 markets where the Group has either a number one or number two position (including northern Germany and western China) by volume. As such, the Group is able to benefit from significant economies of scale in production, procurement, marketing, distribution and sales.
- 93 per cent. of the Group's beer volumes are made up of core beer. Core beer includes the international brands, Carlsberg and Tuborg, and strong local power brands, such as Ringnes in Norway, Falcon in Sweden, Kasztelan in Poland, Baltika in Russia, Beerlao in Laos and Chongqing in China. These local power brands generally have a long history in their markets and command high consumer and customer loyalty.
- The Carlsberg brand, which is licensed by Carlsberg A/S to the Issuer, and Tuborg are large international beer brands. The Carlsberg brand has a presence in approximately 100 countries and Tuborg in more than 70 countries worldwide through direct sales, licensing and exports.
- In addition to its core beer portfolio, the Group has a portfolio of craft & speciality brands and alcohol-free brews which together account for seven per cent. of Group beer volumes. The craft & speciality brands include authentic craft brands such as Nya Carnegie, Jacobsen and Valaisanne and speciality

brands such as Grimbergen and 1664 Blanc. The alcohol-free brew brands include brands such as Okocim 0.0, Munkholm, 1664 Blanc San Alcool and Baltika 0.

- In the mature beer markets of Western Europe, the Group holds a number of strong market positions by volume, including in the Nordics, France and Switzerland, in addition to smaller markets. As a result of premiumisation and a number of efficiency and cost reduction initiatives in the region, the Western European operating margin has increased from 14.4 per cent. in 2017 to 17.0 per cent. in 2019.
- Asia is the second largest region in the Group, following strong growth rates in the past years. The Group holds either number 1 or number 2 market position by volume in many of its Asian markets, including western China, Malaysia, Hong Kong, Laos and Nepal. In India, the Group holds a number 3 overall market position by volume but with a stronger position with market share of 25 per cent. or above in seven states. In 2018, the Group acquired additional 25 per cent. of the shares in Cambrew in Cambodia and in 2019 the remaining 25 per cent. of the company, leading to an ownership share of 100 per cent.
- The Group holds strong positions in its Eastern European markets by volume. During the past decade, the Group's Eastern European region has been impacted by difficult market conditions in the region's largest market, Russia, due to macroeconomic challenges negatively impacting consumer sentiment, significant duty increases and changed regulation for beer. In 2019, the competitive environment in Russia was very challenging, leading to the Group losing market share.
- During 2016 to 2018, the Company achieved total net benefits of around DKK 3 billion through its *Funding the Journey* programme, which was launched in November 2015. The *Funding the Journey* programme addressed the areas of value management, supply chain and operating expense efficiency in addition to right-sizing of businesses. The latter addressed restructuring initiatives and as a result impairment, most of which were accounted for in 2015. More than DKK 1 billion of the net benefits was reinvested in the business in support of the Group's strategic priorities. *Funding the Journey* as a specific programme came to an end in 2018 but the focus on efficiencies, costs and cash has continued across the Group as part of the "*Funding the Journey Culture*".

Business Strategy

Carlsberg's activities are focused on markets in which it has the strength and the right products to secure a leading position. Due to the variation in the markets, the contribution to growth, earnings and development within the Group differs both at present and in the long-term projections.

The Group launched its strategy, SAIL'22, on 16 March 2016. The strategy and its priorities are based on key global trends, value drivers of the global beer industry and the strengths of the Carlsberg Group. It aims to deliver toward the ambition of becoming a successful, professional and attractive brewer in the Group's markets.

The key priorities of SAIL'22 are *Strengthen the Core*, *Position for Growth* and *Create a Winning Culture* and by these deliver value for shareholders.

The first priority, *Strengthen the Core*, is focused on extracting more value from the Group's existing brands and businesses. It encompasses initiatives which aim to strengthen the Group's core market positions and beer brands; transform the business in Russia; excel in execution by improving quality, impact and efficiency of execution; and continue the focus on efficiencies, costs and cash as institutionalised by *Funding the Journey* (as described above).

The second priority, *Position for Growth*, aims to drive growth in geographies and segments where the Group sees long-term growth opportunities. The priority focuses on three areas. These are driving growth of the craft & speciality, developing and driving growth of the alcohol-free brew portfolio and capturing profitable growth opportunities in Asia by leveraging the Group's current strongholds and further building its position in the large beer markets of China, India and Vietnam. In China, the Group has in recent years seen good results from expanding outside its western China stronghold by entering into big cities with its premium portfolio. As these cities are located in distribution distance from the Group's existing breweries, the expansion is an asset-light model not requiring investments in or acquisition of brewing capacity.

The third priority, *Create a Winning Culture*, has three priorities: foster a team-based performance by creating a strong sense of ownership and accountability for delivering results, which will be further supported by a close alignment between management incentive schemes and financial objectives; executing on the Group's sustainability programme – Together Towards ZERO – with its ambitious targets within the four priority areas (energy & carbon, water, responsible drinking, and health & safety); and finally live by the Group's Compass to ensure high ethical standards, including but not limited to strict compliance with company policies and applicable laws, rules and regulations, including but not limited to anti-corruption and anti-bribery laws, trade sanctions and export control laws as well as competition laws.

Products

The Group's Core Beer Brands

The core business of the Group is beer. In 2019, 83 per cent. of Total Volume was generated from beer. 93 per cent. of own beer volumes are made up of core beer.

Core beer includes the international brands, Carlsberg and Tuborg, which combined account for 27 per cent. of beer volumes. The Group also manages a portfolio of local power brands, for which the majority of sales is limited to a single market. These strong local power brands include brands such as Feldschlösschen in Switzerland, Ringnes in Norway, Falcon in Sweden, Baltika in Russia, Lvivske in Ukraine, Beerlao in Laos and Chongqing in China. Local power brands account for more than 60 per cent. of the Group's beer volumes.

An important part of SAIL'22 is to revitalise the core beer portfolio in order to leverage the Group's strong beer brands and market positions, driving growth and improving margins.

Carlsberg. The Carlsberg brand is an international premium brand, available in more than 100 countries through direct sales, licensing and exports. In 2019, Carlsberg brand volumes declined by 3%, as growth in markets such as Russia, Kazakhstan, Malaysia, Singapore and Vietnam was offset by declining volumes in certain markets such as the UK and India. The Carlsberg brand is licensed to Carlsberg Breweries by Carlsberg.

Tuborg. The Tuborg brand is an international premium brand. Tuborg is available in over 70 countries worldwide. In recent years, the expansion of the brand to Asia has been successful and China and India were the largest and third largest markets, respectively, for Tuborg in 2019. In 2019, the Tuborg brand volumes grew by 2%, supported by good growth in China, India, Serbia and the Baltics.

Local power brands. Leading local power brands play, and will continue to play, an important role in the Group's portfolio. In each of the Group's European markets, a local mainstream brand has been developed as a leading local brand to be a key driver in the local mainstream segment. Among the largest local power brands are Baltika in Russia, Chongqing and Wusu in China, Beerlao in Laos, Lvivske in Ukraine and Harnas in Poland.

The Group's Craft & Speciality and Alcohol-Free Brands

Craft & speciality and alcohol-free brews are growing rapidly in many of the Group's markets and are designated growth priorities for the Group. In 2019, craft & speciality and alcohol-free brews combined accounted for 7 per cent. of own beer volumes. In 2019, the Group's craft & speciality portfolio grew volumes by 16 per cent. while the alcohol-free brew portfolio grew volumes by 7 per cent. overall and by 10 per cent. in Western Europe.

Craft & speciality is driven by consumer desire for premium brands with varied tastes and beer styles, while the growth in alcohol-free brews is attributable to rising interest in healthier choices. Below are examples of the Group's brands.

DraughtMaster is the Group's proprietary one-way PET keg system and is an important enabler for the growth in premium, craft & speciality and alcohol-free brews in the on-trade (for example, bars, pubs, restaurants and hotels), as it allows outlets to serve a greater variety of beer on tap, including the more expensive brands. The system is now available in all Western European markets, and the process of converting all steel-keg installations in the Nordic markets is well under way and expected to be finalised within the next one to two years.

Jacobsen. The Jacobsen Brewery was established in 2005 in Copenhagen where J.C. Jacobsen established his brewery in 1847. Jacobsen has since established itself as a popular craft brand in Denmark.

Nya Carnegie. The Nya Carnegie Brewery was established in 2012 as a craft brewery in Stockholm. The Brewery markets a range of craft beers, such as Kellerbier lager and 100W IPA.

1664 Blanc. 1664 Blanc is a French wheat beer that plays an important role in the Group's craft & speciality portfolio as an imported speciality brand. It is popular in many markets across our regions, particularly in China, which is the largest market for the brand, and in Russia, where strong growth in 2019 made Russia the second-largest market for the brand. In 2019, 1664 Blanc brand volumes grew by 29 per cent.

Grimbergen. Grimbergen is an international speciality brand in the Group's portfolio of brands. It is a Belgium abbey beer dating back to 1128. Since acquiring the brand in connection with the S&N transaction in 2008, the Group has expanded the geographic reach of the brand and renewed focus on driving the brand is part of the Group's strategy, SAIL'22. In 2019, the Grimbergen brand volume grew by 3 per cent.

Alcohol-free brews. The alcohol-free brew portfolio mainly consists of alcohol-free line extensions of local beer brands in Western Europe and in Russia. The Group's largest alcohol-free brands are Baltika 0 in Russia, Karmi in Poland, Tourtel and Kronenbourg in France and Feldschlösschen in Switzerland. In 2019, alcohol-free brews grew volumes by 7 per cent. overall and 10 per cent. in Western Europe.

Other Beverages Portfolio

The Group also produces, markets, sells and distributes soft drinks, mineral water, sports/energy drinks, cider and other alcoholic beverages. The soft drinks portfolio generally consists of the bottling and production under license of leading international brands such as Coca-Cola, Pepsi and Schweppes, and strong national brands (both carbonated and noncarbonated) such as Tuborg Squash in Denmark, and the water brand Ramlösa in Sweden.

In 2019, 17 per cent. of Total Volume (22.4 million hl) was generated from soft drinks, mineral water, cider and other non-beer beverages.

Innovation

In order for the Group's products to remain attractive and relevant to consumers, the Group aims to develop a consumer-driven research and development and innovation agenda by leveraging its understanding of consumer drinking occasions and growth opportunities. The Group will also focus its investments on leveraging the potential of technology and digital.

The innovation efforts are not only targeted at developing and launching new products and dispense technology, but also at enhancing and innovating existing products, developing new types of packaging, and improving brewing processes and ingredients.

Branding and Marketing

Carlsberg A/S owns the Carlsberg brand and licenses the use of it to Carlsberg Breweries under a long-term licensing agreement for a nominal fee. The Group is the owner of all its other international and local power brands, including Tuborg. With the exception of certain jurisdictions in which it is not possible to register trademarks, trademark registrations for the Carlsberg and Tuborg brands have been effected in almost every country in the world. Trademark registrations for local power brands have also been effected in numerous countries, with the number of countries depending on the importance, volume and geographical presence of each such local brand.

In a number of markets where the Group's brands are licensed to third parties, various agreements have been entered into regarding requirements to and opportunities for licensees in relation to the marketing of the brands licensed.

Branding

The Group will continue to focus on developing and strengthening its brand portfolio based on a combination of strong local and international core beer brands, craft & speciality brands and alcohol-free brews. The Group supports a portfolio of brands, which meet different consumer needs, to drive long term category value growth. The right portfolio for each market is determined by deep consumer insight and market segmentation.

Strategic management of Carlsberg's international brand portfolio is carried out centrally at Group level to ensure consistency in the management of the brands' equities and to build strong growth models in order to optimise profits. Execution and implementation of these strategies are secured through the Group's local sales organisations.

Management of local power brands is more decentralised but in order to achieve synergies across markets, regional and global teams facilitate the development and sharing of ideas, concepts and experiences, enabling these to be applied to local power brands in different markets, where similar propositions would be relevant.

Alongside the Group's core beer brands, Carlsberg is focused on innovating and growing brands in the alcohol-free and craft & speciality segments, utilising a mix of local and global propositions.

Premiumising and innovation play an increasingly important role in driving value growth and the Group focuses on premium brands and innovations which can build category value by trading consumers up, but also expanding the penetration amongst new occasions and consumer groups. The craft & speciality brands and the alcohol-free range plays a key role here, but the Group also ensures that it constantly innovates on the core brands, which are often market leaders, to ensure they remain fresh and relevant.

Marketing

The Carlsberg Group connects and communicates with consumers through a wide range of marketing programmes – always aiming to engage at the right moment, with the right content to drive purchase. The Group uses a range of more traditional advertising, alongside increasing usage of digital channels to drive engagement with its consumers. The Group also makes use of sponsorship engagements on many of its brands. Most of these are locally embedded.

Raw Materials and Packaging

The principal raw materials that the Group uses in the brewing process are barley/malt, hops, yeast and water. The Group usually uses its own proprietary yeast which it grows in its facilities. In some regions, the Group imports hops to obtain appropriate quality and variety. The Group purchases these ingredients through the open market and through contracts with suppliers. In Eastern Europe, the Group sources part of its barley needs through direct collaboration with farmers.

Raw materials prices are determined by, among other factors: the level of supplier competition and consolidation; the level of crop production; weather conditions; overall beer market sales growth; demand from overseas markets; government regulations; and macroeconomic conditions. In addition, prices of certain raw materials are impacted by the global demand for bio fuels.

The Group seeks to develop and maintain close strategic relationships with its suppliers in order to ensure tighter quality control, more competitive prices and better service. Some of the Group's raw material supply contracts are long-term fixed-price contracts to ensure stable supply, price stability and predictability. The Group relies to some extent on a few third-party suppliers. See "Risk Factors – Risks Related to the Group's Business – Reliance on key third-parties could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition."

The main part of packaging material expenditures is related to beverage cans, glass and PET bottles. However, the Group is also a large buyer of steel kegs, crown corks, plastic closures, wet glue labels and cardboard products. It has a number of long-term contracts for the supply of packaging materials with strategic suppliers. The choice of packaging materials varies by price and availability in different regions, as well as by consumer preferences and the individual brand position and image.

Procurement is centralised in Carlsberg Supply Company, located in Switzerland, through which it coordinates the procurement of all major raw materials and packaging in Western Europe, Asia and Eastern Europe except for concentrates for third-party brands. In Western Europe, the Group mainly purchases its raw materials and packaging from large national and international suppliers. In Eastern Europe and Asia, the Group also purchases a part of its raw materials and packaging from smaller local or regional suppliers.

Production

Due to similar production methods employed to make different brands of beer, brewers have some flexibility to allocate production between their breweries to minimise overheads and distribution costs and reduce capital expenditure requirements. A brewer's ability to achieve such savings is largely driven by extra costs involved in changing production/packaging formats and the costs of distribution, together with other considerations such as products being associated with specific locations and different national tariff systems.

The Group builds, invests and develops its production facilities to meet the requirements and demands of local markets in terms of brand, volume and packaging type, while conforming to Group-wide policies concerning quality and safety assurance and environmental standards.

Significant value is created by using the strengths of the Group, taking advantage of scale, and harmonising, standardising and centralising functions and processes across borders. Carlsberg Supply Company encompasses Group procurement, production, logistics and planning functions, and is responsible for the production and logistics network in Western Europe and the supply chain standards for the entire Group.

The Group brews beer in 30 countries. Individual production facilities across the Group vary widely in terms of scale. Product quality assurance is a key focus for the Group. The quality of raw materials and production is ensured through various activities, including operational audits at the breweries and suppliers as well as quality-standard certification requirements.

The Group has an ongoing focus on optimising its brewing, sales and distribution throughout the Group and on both a national and regional level as part of its ongoing commitment to free-up invested capital.

Sales and Distribution

The distribution of beer varies from country to country and from region to region. The nature of distribution reflects consumption patterns and market structure, geographic density of customers and the existence of third-party wholesalers. In some markets brewers distribute directly to customers while in other markets they distribute to wholesalers. This is either for legal reasons or because of historical market practice, which plays an important role in distributing a significant proportion of beer to customers.

The Group utilises three main distribution models, varying by market due to the Group's positions in those markets, regulatory considerations and local market dynamics (consumption patterns, market structure, geographic density of customers and existence of third-party wholesalers). These distribution models are:

- Direct distribution to the retail level (both on-trade and off-trade outlets);
- Third-party distribution (wholesalers, importers, distributors, and “cash and carry” outlets); and
- A combination of direct and third-party distribution, primarily through wholesalers.

The Group segments its end-customers by channel between on-trade outlets (for example, bars, pubs, restaurants and hotels) and off-trade outlets (for example, supermarkets, kiosks and retail shops). This segmentation (the “channel model”) allows the Group to allocate resources to different types of customers by supplying each channel with the sales support, brand and trade marketing and supply chain that it needs.

In all markets, the Group strives to serve customers in the most cost-efficient way possible while maintaining appropriate service levels.

In Western Europe, product handling is conducted in accordance with quality standards, and warehouse operations are enhanced by automation to improve storage and handling capacity. Distribution to retailers and wholesalers is accomplished either by using trucks owned or leased by the Group, driven and unloaded by employees of the Group, or by using third-party providers of transportation services.

In Asia, distribution varies from country to country: in Malaysia, Singapore and China, the distribution network is primarily through wholesalers with direct deliveries to the major retail chains, but in Hong Kong the distribution is direct with a smaller part going through third-party wholesalers.

In Eastern Europe, Carlsberg Breweries services the traditional off-trade through distributors and wholesalers, while having direct distribution to the major retail chains which represent a rapidly growing segment, particularly in Russia.

The sales system generally comprises selling efforts towards existing and new customers as well as order taking, distribution and payments. The sales system varies between regions. As an example, in Western

Europe, the Group uses telephone sales calls to serve the on-trade business as well as the on-line ordering platform “Carl’s Shop”, while the off-trade business is principally served by sales representative visits. Daily customer sales development in the larger outlets is generally handled by the field sales force and the agreements and negotiations with major key accounts, including category and promotional activities, are generally handled by the Group’s key account managers. In China, e-commerce is a growing channel, albeit volumes through this channel are still small.

Licensing and Export

Licences issued by the Group grant authority to third-party licensees to manufacture, package, sell and market in a particularly assigned territory (usually a country). The license covers only a particular brand and that brand is agreed to be produced under strict rules and technical requirements provided and monitored by Group headquarters. The Group also accesses new markets through international distribution agreements.

The Group has licensing and export agreements in more than 80 countries, predominantly for the Carlsberg brand (which is licensed by Carlsberg to Carlsberg Breweries and sub-licensed by Carlsberg Breweries to third parties). The other main brands in the Group that are exported or licensed out to third parties are Tuborg, Kronenbourg 1664, 1664 Blanc, Somersby and Grimbergen. In total, the Export and License business accounted for approximately 9 per cent. of the Group’s total volumes in 2019. The Export and License business is important to building the global presence and awareness of the Group’s brands. In connection with the acquisition of activities from S&N exclusive, long-term licensing agreements were entered into with Heineken regarding the acquired brands Kronenbourg and Grimbergen for the markets in the United Kingdom and Belgium, respectively.

Funding the Journey

Improving efficiency and adjusting and optimising the cost and capital base in all markets is a continuous journey encompassing the entire value chain. In past years, a number of efficiency, optimisation and standardisation programmes have been carried out covering systematic streamlining of processes and procedures across the whole value chain in areas such as production, procurement, administration, logistics, sales and marketing.

In November 2015, the Carlsberg Group announced its *Funding the Journey* programme with the purpose of improving profit and cash flow. *Funding the Journey* unified under one overall programme all profit improvement initiatives to ensure fast and impactful delivery. In addition, the Group took steps to right-size parts of the business with the objective to provide the right match with current market reality. The right-sizing initiative reflected both an updated assessment of the anticipated future earnings projections of individual businesses and brands and an assessment of the supply base relative to expected volumes.

Funding the Journey as a specific programme came to an end in 2018, delivering total benefits of around DKK 3 billion. More than DKK 1 billion has been reinvested in the business in support of the Group’s strategic priorities.

From 2019, the Group has continued the mindset of *Funding the Journey* through the implementation of “*Funding the Journey Culture*”. This is embedded across four key themes: value management, supply chain efficiency, operating cost efficiency and commercial spend efficiency.

Carlsberg’s Global Operations

The Group’s operations consist of brewery activities in three geographical regions: Western Europe, Asia and Eastern Europe. The beer markets in these regions vary, in particular in relation to growth rates, consumption

per capita and the types of beers consumed. Consequently, the regions' contributions to the Group's growth, earnings and development differ significantly.

The following table shows the breakdown by Volumes of beer, net revenue and operating profit between the Group's three geographic regions for the year ended 31 December 2019.

	Year ended 31 December 2019		
	Beer Volume	Net revenue	Operating Profit
	<i>(Million hl)</i>	<i>(DKK million)</i>	
Western Europe	46.6	36,317	6,187
Asia	37.2	18,416	3,931
Eastern Europe	28.7	11,097	1,882

Western Europe

Overview

Carlsberg is a large brewer in Western Europe. The region mainly comprises mature markets and is generally characterised by well-established retail structures and a strong tradition of beer consumption in most markets.

While market volumes historically have been declining, the region is now seeing improving beer category dynamics as a result of innovations, increased interest in craft & speciality beers and alcohol-free brews.

Denmark

Carlsberg Denmark is wholly owned by the Group and is the largest brewer in Denmark. The Group's largest brands in Denmark are Tuborg and Carlsberg. Carlsberg Denmark also bottles, distributes and sells the Coca-Cola Company brands in Denmark capturing a significant share of the Danish soft drink market. Carlsberg Denmark distributes most of its products directly to on-trade and off-trade customers.

Norway

Ringnes in Norway is wholly owned by the Group and is the largest brewer in Norway. The Group's largest brands in Norway are Tuborg and Ringnes. Ringnes also bottles, distributes and sells PepsiCo products in Norway, commanding a number two position within the soft drinks market. Ringnes distributes most of its products directly to on-trade and off-trade customers.

Sweden

Carlsberg Sverige is wholly owned by the Group. The Group holds a very strong market position in Sweden and its largest brands are Carlsberg, Falcon and Pripps. Carlsberg Sverige also bottles, distributes and sells PepsiCo brands in Sweden and is the owner of Ramlosa mineral water, which is sold internationally. Distribution is outsourced.

Finland

Sinebrychoff in Finland is wholly owned by the Group and is the largest brewer in Finland. The Group's largest brands in Finland are Karhu and Koff. Sinebrychoff also bottles, distributes and sells the Coca-Cola Company brands in Finland, as well as a range of other non-beer brands including cider and the Battery energy drink. Sinebrychoff distributes most of its products directly to on-trade and off-trade customers.

The Baltic Countries

Through its subsidiaries in Estonia, Latvia and Lithuania, the Group has a number one or two position in the Baltic markets. Saku is the largest brand in the Group's Estonian portfolio. Aldaris and Apinitis are the Group's best-selling beer brands in Latvia, while the Group's main brands in Lithuania are Svyturys and Utenos brands.

United Kingdom

Carlsberg UK is wholly owned by the Group and is the fourth largest brewer in the United Kingdom. The Group's brands in the United Kingdom include Carlsberg, San Miguel and Tetley's. Carlsberg UK uses a third-party distributor for distribution of its products.

France

Kronenbourg is wholly owned by the Group and is the second-largest brewer in France. The largest mainstream brand is Kronenbourg but the portfolio also includes the premium brands Kronenbourg 1664, 1664 Blanc, Grimbergen, Carlsberg and Tourtel. Distribution is primarily through wholesalers / distributors.

Northern Germany

Carlsberg Deutschland is wholly owned by the Group, with sales mainly in northern Germany. The Group's brand portfolio in northern Germany includes Holsten, Lübzer, Astra and Carlsberg. Distribution is through wholesalers / distributors.

Switzerland

Feldschlösschen is wholly owned by the Group and is the largest brewer in Switzerland. The Group's largest brands in Switzerland are Feldschlösschen and Cardinal, two of the leading brands in the Swiss beer market. Feldschlösschen distributes most of its products via direct distribution.

Italy

Carlsberg Italia is wholly owned by the Group and holds a number four position in Italy. The Group's portfolio of brands in Italy includes Poretti and Tuborg. Carlsberg Italia distributes its on-trade products through its own Carlsberg Horeca set-up in which part of the volume goes through independent wholesalers.

Portugal

In 2018, the Group increased its ownership of Super Bock Group to 60 per cent. from previously 44 per cent. As the increased ownership was achieved through an acquisition of 28.5 per cent. of the shares in Viacer, the holding company owning 56 per cent. of Super Bock Group, Super Bock Group remains an associate. Super Bock Group's leading brand is Super Bock. Super Bock Group distributes through third-party wholesalers and through its own distribution network.

Poland

Carlsberg Polska is the third largest brewer in Poland. The Group's largest national brands in Poland are Harnas, Kasztelan and Okocim. Further, the Carlsberg brand has a strong position in the international beer segment and Somersby holds a strong market position in the cider category. Carlsberg Polska distributes most of its products through wholesalers.

South East Europe

The Group wholly owns breweries in Greece, Bulgaria, Croatia and Serbia.

Olympic Brewery is the second largest brewer in Greece, producing and selling the local Fix and Mythos brands and the Carlsberg brand. In 2018, the Group acquired the remaining 49 per cent. of the shares in Olympic Brewery.

Carlsberg Serbia is the third largest brewer in Serbia, producing and selling the local LAV brand and the Carlsberg and Tuborg brands.

Carlsberg Croatia is the third largest brewer in Croatia, producing and selling the local PAN brand and the Carlsberg and Tuborg brands.

Carlsberg Bulgaria is the largest brewer in Bulgaria, producing and selling the local Pirinsko and Shumensko and brands and the Carlsberg and Tuborg brands.

In South East Europe, the Group's products are distributed through a combination of direct store delivery and distributors / wholesalers.

Asia

Overview

The importance of Asia for the Group has increased significantly during the past decade and the region accounts for 31 per cent. of total Group volumes. Over the years, the Group has expanded its presence in the region, both organically and through acquisitions, leading to a very attractive regional footprint.

The Asian markets are very diverse but offer considerable prospects for growth, underpinned by young populations, urbanisation, rising disposable income levels and growing economies. However, as many Asian markets are emerging markets, development can be subject to volatility.

Both the on-trade and off-trade channels are characterised by a strong traditional outlet segment but with the modern outlet segment growing in most markets.

China

The Group's presence in China is concentrated on the western part of the country where it has leading market positions. The Chinese market has been under pressure in recent years, impacted by bad weather, socioeconomic changes in the country and the negative effect on the on-trade from the government's austerity measures. The market volume decline has mainly impacted the mainstream and discount segments as the premium segments have shown positive growth rates.

The Group is the leading brewer in western China and the fifth largest brewer in the country as a whole. In 2017, the Group began an expansion outside its core western provinces by entering big cities using an asset-light model. This model implies that the sourcing of products will happen from the existing brewery network and does therefore not require additional brewing capacity.

Chongqing Brewery Co. is one of Carlsberg's most important investments in China. The Chongqing Brewery Co.'s principal brands are regionally-focused and sold under the names Chongqing Beer and Shancheng. The Chongqing Brewery Co. is listed on the Shanghai Stock Exchange. In 2013, the Carlsberg Group completed a partial takeover offer, taking its ownership share of Chongqing Brewery Co. to 60 per cent.

Wusu Brewery Group is another important investment in China, where Carlsberg has 100 per cent. ownership.

In Southern China, Carlsberg Brewery Guangdong in Huizhou is 99 per cent. owned by the Group and supplies the Carlsberg Group's international brands to China, Hong Kong and the Macau markets.

In addition to securing a continued strong market position in western China, an important priority in China is to grow the Group's international premium brands. The international portfolio includes brands such as Tuborg, Carlsberg and 1664 Blanc and in 2019, this portfolio grew volumes by 7 per cent.

The Carlsberg Chill and Light brands were developed exclusively for the Chinese market. In April 2012, the Tuborg brand was launched on the Chinese market. The brand has delivered results above expectations and

has become the second largest international brand in China. Since 2017, China has been the largest single market for the Tuborg brand.

The Group's products are distributed primarily through wholesalers supported by a strong presence of the Group's own sales offices in more than 30 cities.

India

In India, the Group took the first steps in 2006 in establishing a platform in the country by entering into a joint venture. Management believes that the Indian beer market has attractive long term growth potential as India is currently experiencing strong economic growth, urbanisation and improved consumption patterns as well as India currently has one of the lowest beer consumption per capita in Asia.

Commercial operations began in the second quarter of 2007 at the Himachal Pradesh brewery. Since then, seven more breweries have been added in the central and northern part of the country. The Group is the third largest brewer in India, though with strong positions with a market share of approximately 25 per cent. in 7 states. The Group markets the Tuborg and Carlsberg brands in India. The Tuborg brand has been very successful in India, and in 2015, it became the largest international brand in the country and the second largest beer brand overall.

Malaysia, Singapore and Hong Kong

The Group has been active in the Malaysian beer market for more than 100 years and since 1972 has held an investment in Carlsberg Brewery Malaysia Berhad ("Carlsberg Malaysia"). The Group owns 51 per cent. of Carlsberg Malaysia, which is listed on the Kuala Lumpur Stock Exchange. Carlsberg Malaysia is the second largest brewer in Malaysia. Its main brand in Malaysia is Carlsberg which is the second largest beer brand in the country. In Malaysia, the Group's products are distributed primarily through third-party wholesalers with direct deliveries to the major retail chains.

Carlsberg has been imported into Singapore since the beginning of the twentieth century. Carlsberg Singapore, wholly-owned by Carlsberg Malaysia, is a sales and marketing company. Most of the beer sold by Carlsberg Singapore is now being brewed by its parent company, Carlsberg Malaysia. Carlsberg Singapore is the second largest beer company in Singapore.

The Carlsberg brand has been sold in Hong Kong since 1923 through the Group's wholly-owned subsidiary, Carlsberg Hong Kong Ltd.

Laos and Cambodia

The Group has the leading market position in Laos and is the third-largest brewer in Cambodia.

In Laos, the Group owns 61 per cent. of the shareholding in Lao Brewery Co. Ltd. Lao Brewery markets the very strong Beerlao brand as well as the Carlsberg and Tuborg brands and holds the leading market share in the country.

In Cambodia, the Group increased its shareholding in Cambrew Ltd. to 75 per cent. from 50 per cent. in August 2018, thereby taking control of the company. In October 2019, the Group acquired the remaining 25 per cent. of the shares, thereby giving the Group 100 per cent. ownership of Cambrew Ltd. Cambrew markets the local brand Angkor in addition to the Carlsberg and Tuborg brands and is the fourth largest brewer in the country. The market share and financial results of Cambrew have deteriorated during the past years and the Group has consequently started a turn-around process with the aim to rebuild the business in Cambodia. The Group estimates that it will take another 2-3 years to turn the current operating loss into positive operating profit.

Nepal and Myanmar

The Group has the leading market position in Nepal, where the Group has a 90 per cent. stake in Gorkha Brewery Pvt. Ltd. Gorkha Brewery markets the local Gorkha beer brand as well as the Tuborg and Carlsberg brands and holds a leading market position in the country.

In Myanmar, the Carlsberg Group has a partnership agreement with Myanmar Golden Star (MGS) Breweries, a local privately-owned leading beverage company. The Group owns 51 per cent. of the shareholding in Myanmar Carlsberg which opened its first greenfield brewery in May 2015. Myanmar Carlsberg has launched a new local brand, Yoma, and markets the Tuborg and Carlsberg brands.

Vietnam

The Group has 100 per cent. ownership of Carlsberg Vietnam Breweries Ltd. in Vietnam. Huda is the leading beer brand in central Vietnam while Halida mainly competes in the northern part of the country.

In March 2007, the Vietnamese Ministry of Industry approved the state-owned brewery Hanoi Beer Alcohol and Beverage Joint Stock Corporation's ("Habeco") choice of Carlsberg as strategic partner in connection with the initial privatisation of Habeco and in 2008, the Group acquired a 17 per cent. shareholding in Habeco. In 2009, Carlsberg signed a Memorandum of Understanding with the aim of increasing its ownership in Habeco.

The Group also sells the Carlsberg and Tuborg brands in Vietnam.

The Group's products are distributed primarily through wholesalers.

Eastern Europe

Overview

The Eastern Europe region covers Russia, Ukraine, Kazakhstan, Belarus and Azerbaijan. It is the smallest geographic region in the Group.

Carlsberg holds a number 1 and 2 market position by volume in all markets in the region.

Russia

Russia is the sixth largest beer market in the world by volume.

The Russian beer market has been under significant pressure in the past decade due to a challenged macroeconomy and changed regulation. In 2018, the market saw growth of an estimated 3 per cent., due to warm weather and the football world cup, and in 2019, it is estimated that the market grew by a low-single-digit percentage.

The competitive landscape is dominated by international players, although small local players have increased their combined market share during the past decade and account for around 30 per cent. of the market. In 2019, the Group held a number 2 market position by volume.

The Group's beer brand portfolio in Russia includes national, regional and international brands, such as Baltika, Zatecky Gus, Arsenalnoye, Carlsberg, Tuborg, 1664 Blanc and Grimbergen.

The Group distributes its beer products through a combination of third-party wholesalers or distributors and direct distribution.

Ukraine

The Ukrainian beer market has in past years been under pressure due to the highly challenging and uncertain macroeconomic climate as well as significant price increases to cover inflation and large excise tax increases

although in 2017 and 2018, the market grew slightly. In 2019, the Group held a number 2 market position by volume.

The Group's brand portfolio includes the local power brands Lvivske and Slavutich, the international brands Tuborg, Carlsberg, 1664 Blanc and Grimbergen. Somersby holds a strong market position in the cider category.

The Group's beer products are primarily distributed through third-party wholesalers and secondly via direct distribution.

Kazakhstan, Belarus and Azerbaijan

In Kazakhstan, the Carlsberg Kazakhstan brewery produces and sell the local power brands Irbis and Derbes.

In Belarus, Brewery Alivaria produces and sell the local brand Alivaria in addition to the Baltika and Zatecky Gus brands and the Tuborg brand.

In Azerbaijan, the Carlsberg Azerbaijan Brewery produces and sells the local power brands Afsana and Xirdalan.

The Group's beer products are primarily distributed through third-party wholesalers and secondly *via* direct distribution.

Competition

The competitive landscape varies from market to market. In some markets, such as the Nordic markets and western China, Carlsberg competes mainly with local players and local beer brands. In most markets, though, the Group competes mainly with large leading international brewers and their local and international brands.

Regulatory Environment

The Group's business is subject to a comprehensive regulatory framework applicable to the brewing industry including local, regional, EU and international standards, rules and regulations covering such areas as environmental protection, competition, and health and safety at work. Several of Carlsberg's markets feature restrictions on advertising and other communication to consumers or regulation of behaviour in places where products are used. There can also be restrictions on sales, for example based on consumers' age. Changes in these rules can, in isolation, entail a risk of a decrease in sales in these markets. See "Risk Factors – Risks Related to the Group's Industry – Changes in existing regulations, increased regulation or failure to comply with existing licensing, trade and other regulations could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition."

The Group works both independently and together with other breweries to limit the negative consequences of inappropriate use of alcoholic products, and actively promotes responsible sales and consumption.

Insurance

The Group is able to obtain insurance coverage for its operations at levels that Management considers to be prudent. Management believes that the Group's insurance coverage is adequate and is in accordance with the Group's insurance policy. The Group's captive insurance programme, Carlsberg Insurance A/S, insures a part of the Group's all-risk insurance programme.

Litigation

The Group operates in very competitive markets where consolidation is taking place within the industry and among our customers and suppliers, all of which in different ways influences Carlsberg's business. In the ordinary course of business, the Group is party to certain lawsuits, disputes etc. of various scopes, some of which are referred to below. The resolution of these lawsuits, disputes etc. is associated with uncertainty, as they depend on legal proceedings, such as negotiations between the parties affected, governmental actions and court rulings. In 2014, the Federal Cartel Office in Germany issued a decision and imposed a fine of EUR 62 million for alleged infringement of the competition rules in 2007. In April 2019, Carlsberg was acquitted from the fine. The authorities have appealed the decision. In 2018, the Group's associate in Portugal received a statement of objections from the local authorities, which was the next step following a previously conducted dawn raid. Furthermore, a dawn raid was conducted in the Group's subsidiary in India in 2018 with investigations still ongoing. As at 15 May 2020, no final rulings had been made in any of the entities that have experienced dawn raids in recent years. However, there is still a significant risk related to these cases due to the inherent uncertainty. Management and the general counsel continuously assess these risks and their likely outcome. It is the opinion of management and the general counsel that the outcome of these lawsuits, disputes etc. cannot be reliably estimated in terms of amount or timing. The Group does not expect the ongoing lawsuits and disputes to have a material impact on the Group's financial position.

Supervisory Board

The Supervisory Board of the Issuer consists of seven members. The following table sets out the names of the directors, their functions and their other principal activities outside of the Issuer.

Name	Function	Other Principal Activities
Flemming Besenbacher	Chairman	Professor, D.Sc, h.c. mult. FRSC. Chairman of the Board of Directors of the Carlsberg Foundation. Chairman of the Supervisory Board of Carlsberg A/S. Chairman or member of the Boards of Directors of Carlsberg Group companies. Professor Honoris Causa at a number of international universities. First elected 2019.
Lars Fruergaard Jørgensen	Deputy Chairman	President & CEO of Novo Nordisk since January 2017. He has been with Novo Nordisk since 1991 and was in 2004 appointed senior vice president for IT & Corporate Development, and in 2013 executive vice president and chief information officer assuming responsibility for IT, Quality & Corporate Development. In late 2014, he took over the responsibilities for Corporate People & Organisation and Business Assurance and became chief of staff. Member of the Supervisory Board

		of Carlsberg A/S. First elected 2019.
Cees 't Hart	CEO	Prior to joining Carlsberg in 2015, Cees was CEO of the Dutch dairy company Royal FrieslandCampina, a position he had held since 2008. Prior to FrieslandCampina, Cees spent 25 years with Unilever, holding management positions across Eastern Europe, Western Europe and Asia. Chairman of the Board of Directors of KLM and member of the Board of Directors of AFKLM. First elected 2015.
Heine Dalsgaard	CFO	Heine joined Carlsberg from ISS in 2016, one of the world's largest facility services companies. He went to ISS in 2013, prior to the company's IPO in 2014. Before ISS, he was Group CFO at Grundfos, a leading global pump manufacturer and before that, he held various senior management and financial positions at companies such as Carpetland, Hewlett Packard and Arthur Andersen. Member of the Board of Directors of Novozymes. First elected 2016.
Eva Vilstrup Decker	Employee representative	Carlsberg Breweries A/S. Elected 2018.
Albena S. Jensen	Employee representative	Carlsberg Breweries A/S. Elected 2018.
Søren Leth	Employee representative	Carlsberg Global Business Services A/S. Elected 2018.

The Supervisory Board appoints the Executive Board. The Executive Board of the Issuer currently comprises Cees 't Hart and Heine Dalsgaard. The Executive Board meets on a regular basis with the Supervisory Board in order to discuss overall strategy for the business.

The business address for each member of the Supervisory Board and Executive Board is J.C. Jacobsens Gade 1, 1799 Copenhagen V, Denmark.

The Issuer is not aware of any potential conflicts of interest between the duties to the Issuer of the persons listed above and their private interests or other duties.

Recent Developments

Due to the increased uncertainty related to the negative consequences of the COVID-19 pandemic on Carlsberg's business in 2020 and the inability of the Company to reasonably estimate the full impact on its financial and operating performance, Carlsberg suspended its guidance for 2020. Carlsberg intends to provide updates to the market as the effects of the COVID-19 pandemic on the Company become clearer.

TAXATION

Persons considering the purchase, ownership or disposition of the notes should consult their own tax advisers concerning the tax consequences in the light of their own particular situations. No representations with respect to the tax consequences of any particular Noteholder are made hereby.

Kingdom of Denmark

The following is a summary description of the taxation in Denmark of the Notes according to the Danish tax laws in force at the date hereof and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment in, holding of and disposal of the Notes. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes.

In the below it is assumed that the Notes actually issued qualify as ordinary debt instruments for Danish tax purposes.

Danish Withholding Tax

Under existing Danish tax laws and subject to the general anti-abuse rule described below, no general withholding tax or coupon tax will apply to payments of interest or principal or other amounts due on the Notes, other than in certain cases on payments in respect of controlled debt in relation to the Issuer. Subject to the general anti-abuse rule described below, this will not have any impact on holders of Notes who are not “affiliated” with the Issuer pursuant to chapter 4 of the Danish Tax Control Act (Consolidated Act no. 1535 of 19 December 2017, as amended) (i.e., the definition of when parties are "affiliated" is broad and generally encompass situations where they control or are controlled by the Issuer or are controlled by the same group of shareholders as the Issuer). This withholding tax also applies to certain capital gains on the Notes to the extent a holder of the Notes is "affiliated" with the Issuer as set out above.

Taxation of Residents in Denmark

Under existing Danish tax laws, private individuals, including persons who are engaged in financial trade, and companies, funds and similar entities, who are domiciled in Denmark for tax purposes, are (save for certain exceptions) liable to pay tax on capital gains on the Notes and on payments of interest under the Notes.

Taxation of Non-residents

Subject to the general anti-abuse rule described below, under the Danish tax laws in effect as of the date of this Base Prospectus, payments of interest or principal amounts to any non-resident holders of Notes are not subject to taxation in Denmark, no withholding tax will be payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under “Danish Withholding Tax” above.

This tax treatment applies solely to holders of Notes who are not subject to full tax liability in Denmark or included in a Danish (international or national) joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

General Anti-abuse Rule

Pursuant to section 3 of the Danish Tax Assessments Act (Consolidated Act no. 808 of 8 August 2019, as amended), an arrangement or series of arrangements (i) not entered into for commercial reasons reflecting the underlying economic reality and (ii) which are implemented for the primary purpose of obtaining, or one of the primary purposes of which is to obtain, a tax benefit which is against the purpose and intent of the tax laws should be ignored for purposes of calculating the Danish tax liability. The general anti-abuse rule in Section 3 of the Danish Tax Assessments Act has recently been enacted into Danish tax law and it is presently unclear how the rule could be applied. If a holder of Notes, whether resident in Denmark or not, is considered to have taken part in an arrangement that is covered by Section 3 of the Danish Tax Assessments Act this could result in Danish tax implications for such holder under the Notes, including the application of withholding tax to payments made to such holder under the Notes.

Luxembourg

The following is a general description of certain tax laws relating to the Notes as in effect and as applied by the relevant tax authorities as at the date hereof and does not purport to be a comprehensive discussion of the tax treatment of the Notes.

Prospective investors should consult their own professional advisers on the implications of making an investment in, holding or disposing of Notes and the receipt of interest with respect to such Notes under the laws of the countries in which they may be liable to taxation.

Withholding tax

Under Luxembourg tax law currently in effect subject to certain exceptions (as described below), there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest).

In accordance with the law of 25 November 2014, as amended, Luxembourg elected out of the withholding tax system in favour of an automatic exchange of information under the Council Directive 2003/48/EC on the taxation of savings income as from 1 January 2015. Payments of interest by Luxembourg paying agents to non resident individual Noteholders or certain so-called residual entities are thus no longer subject to any Luxembourg withholding tax.

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents are subject to a 20 per cent. withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

FATCA Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“foreign passthru payments”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is not a foreign financial institution for these purposes. A number of jurisdictions (including Denmark) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign

passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

SUBSCRIPTION AND SALE

Overview of Dealer Agreement

Offerings of Notes will be made subject to the terms and on the conditions contained in a dealer agreement dated 15 May 2020 (the “**Dealer Agreement**”) between the Issuer, the Permanent Dealers and the Arranger. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the update of the Programme and the Dealers for certain of their activities in connection with the Programme. The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury Regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and the U.S. Treasury Regulations promulgated thereunder.

The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules U.S. Treasury regulation §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form as such rules for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended) (“**TEFRA C**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form as such rules for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended) (“**TEFRA D**”) apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Dealer Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

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

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;
- (ii) 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 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
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Kingdom of Denmark

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in the Kingdom of Denmark by way of a public offering, unless in compliance with the Danish Capital Markets Act (Consolidated Act No. 377 of 2 April 2020), as amended, and Executive Orders issued thereunder.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

People’s Republic of China

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People’s Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the applicable laws of the People’s Republic of China.

Prohibition of Sales to EEA and UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA and the UK. For the purposes of this provision:

- (i) the expression “retail investor” means a person who is one (or more) of the following:
 - a. a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - b. a customer within the meaning of Directive (EU) 2016/97 (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.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus, as well as in the relevant subscription agreement in the case of a syndicated issue of Notes, dealer’s confirmation to the Issuer in the case of a non-syndicated issue of Notes, or supplemental dealer agreement, as the case may be.

Neither the Issuer nor any Dealer has made any representation that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material, in all cases at its own expense.

FORM OF FINAL TERMS

Final Terms dated [●]

Carlsberg Breweries A/S

Legal entity identifier (LEI): 5493008YL42784DMWN61

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] under the €5,000,000,000 Euro Medium Term Note Programme

[MiFID II PRODUCT GOVERNANCE / Professional investors and eligible counterparties only target market – Solely for the purposes of [the/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 only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[s’/s’] 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 manufacturer[s’/s’] target market assessment) and determining appropriate distribution channels.]

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 EEA or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) [MiFID II]/[of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”)]; or (ii) a customer within the meaning of Directive (EU) 2016/97 (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. 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 or in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIIPs Regulation.

PART A - CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15 May 2020 [and the Base Prospectus Supplement dated [●]] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation"). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the Base Prospectus Supplement] [has] [have] been published on the Issuer’s website [<https://www.carlsberggroup.com/investor-relations/debt-investor/bond-programme/bond-programme/>]*.]

(The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date).

* This website is not incorporated by reference and does not form part of this Base Prospectus.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) contained in the Agency Agreement dated [original date] and set forth in the Base Prospectuses dated [8 May 2019/8 June 2017/19 May 2014/7 June 2012] [and the Base Prospectus Supplement dated [●]]. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 15 May 2020 [and the Base Prospectus Supplement dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] [and the Base Prospectus Supplement dated [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] and 15 May 2020 [and the Base Prospectus Supplements dated [●] and [●]]. The Base Prospectuses [and the Base Prospectus Supplements] [has] [have] been published on the Issuer’s website [<https://www.carlsberggroup.com/investor-relations/debt-investor/bond-programme/bond-programme/>][†].]

(Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub paragraphs. Italics denote guidance for completing the Final Terms).

(When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation).

- | | | | |
|---|---------|--|---|
| 1 | (i) | Series Number: | [●] |
| | (ii) | Tranche Number: | [●] |
| | [(iii)] | Date on which the Notes will be consolidated and form a single Series: | <p>The Notes will be consolidated and form a single Series with [<i>identify earlier Tranches</i>] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [<i>date</i>]]</p> <p>[Not Applicable]</p> |
| 2 | | Specified Currency or Currencies: | [●] [‡] |
| 3 | | Aggregate Nominal Amount of Notes: | [●] |
| | (i) | Series: | [●] |
| | (ii) | Tranche | [●] |
| 4 | | Issue Price: | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (<i>if applicable</i>)] |

[†] This website is not incorporated by reference and does not form part of this Base Prospectus.

[‡] Use the abbreviation “CNY” for RMB Notes

5	(i) Specified Denominations ^{§**}	[[●] and integral multiples of [●] in excess thereof [up to and including [●]]. [No notes in definitive form will be issued with a denomination above [●]] ^{††}
	(ii) Calculation Amount:	[●]
6	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[Specify/Issue Date/Not Applicable]
7	Maturity Date:	[Specify date or (for Floating Rate Notes/Fixed Rate RMB Notes) Interest Payment Date <i>falling in or nearest to the relevant month and year</i>]
8	(i) Interest Basis:	[[●] per cent. Fixed Rate] [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate] [ISDA Determination] [Zero Coupon] (further particulars specified below in paragraph [14]/[15]/[16])
	(ii) Step Up Event or Step Down Event:	[Applicable/Not Applicable]
	[(iii) Step Up Margin:	[●] per cent. per annum] <i>[Only applicable if item 8(ii) is applicable]</i>
9	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] per cent. of their nominal amount
10	Change of Interest or Redemption/Payment Basis:	[[●]/Not Applicable]
11	Put/Call Options:	[Investor Put] [Issuer Call] [Make Whole Call] [Change of Control Put Option] [Issuer Maturity Par Call]

[§] Notes (including notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

^{**} If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows:

“€100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No notes in definitive form will be issued with a denomination above [€199,000].”

^{††} The minimum denomination of each Note admitted to trading on a regulated market within the EEA or the United Kingdom and/or offered to the public in an EEA State or the United Kingdom in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency

- [(further particulars specified below) in paragraph(s)
[17], [18], [19] [and] [20]]
[Not Applicable]
- 12 [Date [Board] approval for issuance of Notes obtained: [●]
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)
- 13 Method of distribution: [Syndicated/Non-Syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 14 Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] [and [●]] in each year commencing on [●], up to and including the Maturity Date
- (iii) [Interest Payment Date Adjustment: [Applicable/Not Applicable]]
(N.B. Only applicable for RMB Notes)
- (iv) Additional Business Centre(s): [●] [Not Applicable]
(N.B. Only applicable for RMB Notes)
- (v) Fixed Coupon Amount[(s)]: [●] per Calculation Amount^{‡‡}
- (vi) Broken Amount(s): [[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]]
[Not Applicable]
- (vii) Day Count Fraction: [30/360]
[Actual/Actual]
[Actual/Actual (ICMA/ISDA)]
[Actual/365 (Fixed)] *(N.B. Applicable to RMB Notes)*
[Actual/360]
[30/360]/[360/360]/[Bond Basis]
[30E/360]/[Eurobond Basis]
[30E/360 (ISDA)]
- (viii) Determination Dates: [[●] in each year *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*]
[Not Applicable]

^{‡‡} For RMB denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: “Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005, being rounded upwards.

15	Floating Rate Note Provisions	<p>[Applicable/Not Applicable]</p> <p><i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i></p>
	(i) Interest Period(s):	[•]
	(ii) Specified Interest Payment Dates:	[•]
	(iii) First Interest Payment Date:	[•]
	(iv) Interest Period Date:	[[•]/Not Applicable] (Not applicable unless different from Interest Payment Date)
	(v) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(vi) Business Centre(s):	[•]
	(vii) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
	(viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Agent):	[[•]/Not Applicable]
	(ix) Screen Rate Determination:	
	Reference Rate:	[[•]/Not Applicable]
	Interest Determination Dates	[•]
	Relevant Screen Page:	[•]
	ISDA Determination:	[[•]/Not Applicable]
	Floating Rate Option:	[•]
	Designated Maturity:	[•]
	Reset Date:	[•]
	(x) [Linear Interpolation	Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (<i>specify for each short or long term interest period</i>)
	(xi) Margin(s):	[+/-][•] per cent. per annum
	(xii) Minimum Rate of Interest:	[[•] per cent. per annum/Not Applicable]
	(xiii) Maximum Rate of Interest:	[[•] per cent. per annum/Not Applicable]
	(xiv) Day Count Fraction:	[30/360] [Actual/Actual] [Actual/Actual (ICMA/ISDA)] [Actual/365 (Fixed)] (<i>N.B. Applicable to RMB Notes</i>) [Actual/360]

		[30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)]
16	Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Amortisation Yield:	[●] per cent. per annum
17	Call Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] [per Calculation Amount]
	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	[[●] per Calculation Amount/Not Applicable]
	(b) Maximum Redemption Amount:	[[●] per Calculation Amount/Not Applicable]
	(iv) Notice period:	[[●]/Not Applicable]
18	Make Whole Call Option	[Applicable/Not Applicable]
	(i) Notice period:	[[●]/Not Applicable]
	(ii) Margin:	[[●]/Not Applicable]
	(iii) Reference Dealers:	[[●]/Not Applicable]
	(iv) Reference Stock:	[[●]/Not Applicable]
	(v) Determination Time:	[[●]/Not Applicable]
	(vi) Determination Date:	[[●]/Not Applicable]
19	Issuer Maturity Par Call	[Applicable/Not Applicable]
	(i) Notice period:	[●]
20	Put Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Notice period:	[[●]/Not Applicable]
21	Change of Control Put Option	[Applicable/Not Applicable]

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

- (i) Optional Redemption Date(s): The date falling [●] days after the last day of the Change of Control Period.
- (ii) Change of Control Redemption Amount(s): [●] per Calculation Amount
- 22 **Final Redemption Amount of each Note** [●] per Calculation Amount
- 23 **Early Redemption Amount**
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption: [●] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 24 **Form of Notes:**
- [Bearer Notes]:**
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on or after the Exchange Date]^{§§}
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Registered Notes]:**
- Registered Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the NSS)]
- 25 New Global Note: [Yes]/[No]
- 26 Financial Centre(s): [Not Applicable/give details. Note that this paragraph relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 15(v) relates]
- 27 Talons for future Coupons to be attached to Definitive Notes (and dates on which payments. Talons may be required if on exchange

^{§§} Please note that (to ensure that exchange for definitives in these circumstances cannot occur when the notes have multiple denominations above €100K – i.e. €101K, €102K etc.) the Clearing Systems require a footnote stating the following on wholesale programmes:

“If the Temporary Global Note or Permanent Global Note is exchangeable for definitives at the option of the holder, the Notes shall be tradeable only in amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided in paragraph 5 and multiples thereof.”

	such Talons mature):	into definitive form, more than 27 coupon payments are still to be made]/[No]
28	If syndicated, names of Managers:	[Not Applicable/give names]
29	If non-syndicated, name of Dealer:	[Not Applicable/give names]
30	U.S. Selling Restrictions:	[Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA not applicable]

THIRD PARTY INFORMATION

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

Signed on behalf of Carlsberg Breweries A/S:

.....

By: [●]
Duly authorised

PART B - OTHER INFORMATION

1 Listing and Admission to Trading

- (i) Admission to trading and listing: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the [official list] of the [Bourse de Luxembourg market] and to be admitted to trading on the [Bourse de Luxembourg market] with effect from [●].][Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Bourse de Luxembourg market] with effect from [●].] [Not Applicable.]
(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)
- (ii) Estimate of total expenses related to admission to trading: [●]

2 Ratings

- Ratings: The Notes to be issued [have been/are expected to be] rated:
[Moody's Italia S.r.l.: [●]]
[Fitch Ratings Ltd.: [●]]
[Other]: [●]]
[[Moody's Italia S.r.l.]/[Fitch Ratings Ltd.]/[●] is established in the [EEA]/[United Kingdom] and registered under Regulation (EU) No 1060/2009, as amended (the "CRA Regulation"), and is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation] / [[●] is not established in either the EEA or the United Kingdom and is not certified under Regulation (EU) No 1060/2009, as amended (the "CRA Regulation"); however, the rating it has given to the Notes is endorsed by [●], which is established in the [EEA]/[United Kingdom] and registered under the CRA Regulation]
- (Note: need to include a brief explanation of the ratings if this has previously been published by the rating provider(s).)*

3 Interests of Natural and Legal Persons Involved in the Issue/Offer

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

“[So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

[[•]]

(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)

[Not Applicable]

4 Reasons for the Offer and Estimated Net Proceeds

Reasons for the Offer: [See “Use of Proceeds” in the Base Prospectus / *Give details*]

Estimated net proceeds: [•]

5 [Fixed Rate Notes only – YIELD]

Indication of yield: [•]

6 Operational Information

ISIN: [•]

Common Code: [•]

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

Delivery: Delivery [against/free of] payment

Names and address of initial Paying Agent(s)/ Calculation Agent(s): [•]

Names and addresses of additional Paying Agent(s)/ Calculation Agent(s) (if any): [•]

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper.] [*include this text for registered notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][*include this text if “yes” selected in which case bearer Notes must be issued in NGN form*] / [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,)][*include this text for registered notes*] . Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

GENERAL INFORMATION

- (1) Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to be admitted to trading on the Luxembourg Stock Exchange's regulated market.
- (2) The Issuer has obtained all necessary consents, approvals and authorisations in The Kingdom of Denmark in connection with the establishment and update of the Programme. The update of the Programme was authorised by an Executive Committee of the Supervisory Board of the Issuer and passed on 2 April 2020.
- (3) There has been no significant change in the financial performance or financial position of the Issuer or of the Group since 31 December 2019. Save as discussed under "*Risk Factors – Natural and other disasters could disrupt the Group's operations*" and "*Recent Developments*", there has been no material adverse change in the prospects of the Issuer or of the Group since 31 December 2019.
- (4) Save as disclosed on page 82, neither the Issuer nor any of its subsidiaries is nor has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer or the Group.
- (5) Each Bearer Note having a maturity of more than one year, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
- (6) Notes have been accepted for clearance through the Euroclear, Clearstream, Luxembourg (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (7) The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms.
- (8) There are no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Issuer's Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to noteholders in respect of the Notes being issued.
- (9) Where information in this Base Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. Such third parties have no material interests in the Issuer. The source of third party information is identified where used.
- (10) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions. The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

- (11) So long as Notes are outstanding, the following documents will be available, for inspection on the website of the Issuer (www.carlsberggroup.com):
- (i) the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons and the Talons);
 - (ii) the Deed of Covenant;
 - (iii) the Memorandum and Articles of Association of the Issuer;
 - (iv) the published annual report and audited consolidated financial statements of the Issuer and the Group for the two financial years ended 31 December 2018 and 31 December 2019;
 - (v) each Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Fiscal Agent as to its holding of Notes and identity);
 - (vi) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus; and
 - (vii) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.

This Base Prospectus, any supplements to this Base Prospectus and Final Terms relating to Notes listed on the regulated market of the Luxembourg Stock Exchange, and the documents incorporated by reference herein shall also be available, in electronic format, on the website of the Luxembourg Stock Exchange (www.bourse.lu). For the avoidance of doubt, unless specifically incorporated by reference into this Prospectus information contained on any website does not form part of this Prospectus. Copies of Final Terms relating to Notes which are admitted to trading on any other regulated market in the EEA, will be published in accordance with the rules and regulations of the relevant listing authority or stock exchange and otherwise in accordance with Article 21 of the Prospectus Regulation.

- (12) BNP Paribas Securities Services acting through its Luxembourg Branch whose offices are at 60, avenue J.F. Kennedy, L-2085, Luxembourg acts as listing agent for the Notes issued under the Programme. BNP Paribas Securities Services Luxembourg Branch, being part of a financial group providing client services with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg.
- (13) PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab of Strandvejen 44, 2900 Hellerup, Denmark and a member of the Danish Association of State Authorised Public Accountants (FSR) have audited, and issued an unqualified audit report on, the consolidated financial statements of the Issuer as of and for the years ended 31 December 2018 and 31 December 2019.

Financial information that has previously been published for any financial years or interim periods can differ from subsequently published financial information due to retrospective implementation of subsequent changes in accounting policies and other prospective adjustments made in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”). Any such retrospective changes in respect of financial statements will be disclosed in the notes to the subsequently published financial statements to which reference is made.

- (14) The yield for any particular Series of Notes will be specified in the applicable Final Terms and will be calculated on the basis of the compound annual rate of return if the relevant Notes were to be purchased at the Issue Price on the Issue Date and held to maturity. Set out below is an example formula for the purposes of calculating the yield of Fixed Rate Notes or Zero Coupon Notes. The Final Terms in respect of any Floating Rate Notes will not include any indication of yield.

$$\text{Issue Price} = \text{Rate of Interest} \times \frac{1 - \left(\frac{1}{(1 + \text{Yield})^n} \right)}{\text{Yield}} + \left[\text{Final Redemption Amount} \times \frac{1}{(1 + \text{Yield})^n} \right]$$

Where:

"Rate of Interest" means the Rate of Interest expressed as a percentage as specified in the applicable Final Terms and adjusted according to the frequency (and in the case of Zero Coupon Notes, means "0") i.e. for a semi-annual paying Note, the rate of interest is half the stated annualised rate of interest in the Final Terms;

"Yield" means the yield to maturity calculated on a frequency commensurate with the frequency of interest payments as specified in the applicable Final Terms (and in the case of Zero Coupon Notes, means Amortisation Yield as specified in the applicable Final Terms); and

"n" means the number of interest payments to maturity.

Set out below is a worked example illustrating how the yield on a Series of Fixed Rate Notes could be calculated on the basis of the above formula. It is provided for purposes of illustration only and should not be taken as an indication or prediction of the yield for any Series of Notes; it is intended merely to illustrate the way which the above formula could be applied.

Where:

$$n = 6$$

$$\text{Rate of Interest} = 3.875\%$$

$$\text{Issue Price} = 99.392\%$$

$$\text{Final Redemption Amount} = 100\%$$

$$99.392 = 3.875 \frac{1 - \left(\frac{1}{(1 + \text{Yield})^6} \right)}{\text{Yield}} + \left[100 \times \frac{1}{(1 + \text{Yield})^6} \right]$$

$$\text{Yield} = 3.99\% \text{ (calculated by iteration)}$$

The yield specified in the applicable Final Terms in respect of a Series of Notes will not be an indication of future yield.

REGISTERED OFFICE OF THE ISSUER

Carlsberg Breweries A/S

J.C Jacobsen Gade 1
1799 Copenhagen V
Denmark

DEALERS

BNP Paribas

16, boulevard des Italiens
75009 Paris
France

Danske Bank A/S

2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

MUFG Securities (Europe) N.V.

World Trade Center, Tower H, 11th Floor
Zuidplein 98
1077 XV Amsterdam
The Netherlands

Nordea Bank Abp

Satamaradankatu 5
00020 Nordea
Helsinki
Finland

Skandinaviska Enskilda Banken AB (publ)

Kungsträdgårdsgatan 8
106 40 Stockholm
Sweden

Société Générale

29 boulevard Haussmann
7500- Paris
France

UniCredit Bank AG

Arabellastrasse 12
D-81925 Munich
Germany

FISCAL AGENT, PRINCIPAL PAYING AGENT, REGISTRAR AND TRANSFER AGENT

BNP Paribas Securities Services, Luxembourg Branch

60, avenue J.F. Kennedy
L-2085 Luxembourg

CALCULATION AGENT/AGENT BANK

BNP Paribas Securities Services, Luxembourg Branch

60, avenue J.F. Kennedy
L-2085 Luxembourg

ARRANGER

BNP Paribas

16, boulevard des Italiens
75009 Paris
France

LUXEMBOURG LISTING AGENT

BNP Paribas Securities Services, Luxembourg Branch

60, avenue J.F. Kennedy

L-2085 Luxembourg

INDEPENDENT AUDITORS TO THE ISSUER

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

Strandvejen 44

2900 Hellerup

Denmark

LEGAL ADVISERS

To the Issuer in respect of Danish law

Kromann Reumert

Sundkrogsgade 5

DK 2100 Copenhagen Ø

Denmark

To the Dealers as to English law

Linklaters LLP

One Silk Street

London EC2Y 8HQ

United Kingdom