



**Kroll Recommended
Eurozone Equity Risk Premium (ERP) and
Corresponding Risk-free Rates (R_f);
December 2019–Present****

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Date	Risk-free Rate (R_f)	R_f (%)	Kroll Recommended Eurozone ERP Range (%)	What Changed
Current Guidance:				
October 18, 2022 – UNTIL FURTHER NOTICE*	Normalized Risk-free Rate – Germany*	3.0*	5.5–6.0	<i>Rf</i>
May 17, 2022 – October 17, 2022	Normalized Risk-free Rate – Germany	2.0	5.5–6.0	<i>Rf</i>
September 21, 2021 – May 16, 2022	Normalized Risk-free Rate – Germany	1.5	5.5–6.0	<i>Rf</i>
March 31, 2020 – September 20, 2021	Normalized Risk-free Rate – Germany	2.0	5.5–6.0	<i>ERP</i>
January 31, 2020 – March 30, 2020	Normalized Risk-free Rate – Germany	2.0	5.0–5.5	<i>ERP</i>
December 31, 2019 – January 30, 2020	Normalized Risk-free Rate – Germany	2.0	4.5–5.0	<i>ERP Initialized</i>
June 30, 2019 – December 30, 2019	Normalized Risk-free Rate – Germany	2.0	n/a	<i>Rf</i>
March 31, 2017 – June 29, 2019	Normalized Risk-free Rate – Germany	2.5	n/a	<i>Rf</i>
March 31, 2014 – March 30, 2017	Normalized Risk-free Rate – Germany	3.0	n/a	<i>Rf Initialized</i>

* We recommend using the spot 15-year German government bond yield as the proxy for the risk-free rate, if the prevailing yield as of the valuation date is higher than our recommended German normalized risk-free rate of 3.0%. This guidance is effective when developing EUR-denominated discount rates as of October 18, 2022 and thereafter.

**German normalized risk-free rate and Eurozone equity risk premium (ERP) for use in EUR-denominated discount rates from a German investor perspective. Additional country risk adjustments may be warranted when estimating discount rates for other countries in the Eurozone.

"Normalized" in this context means that in months where the risk-free rate is deemed to be abnormally low, a proxy for a longer-term sustainable risk-free rate is used.

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